



Inflation set to hit 3% by summer

By David Smith, Economics Correspondent

The rate of inflation fell to 5.1 per cent last month...

est rates. Foreign buyers have moved heavily into the London markets...

get. Next month, the 0.75 point cut in mortgage rates...

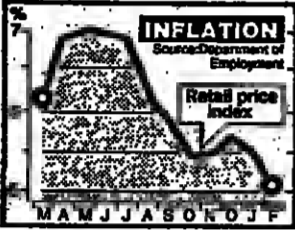
The retail prices index rose by 0.4 per cent between January and February...

The rate of inflation will fall very sharply in April because mortgage rates were raised by one percentage point last April...

The Chancellor forecast a rate of inflation of 3.5 per cent by the end of the year...

Inflation in the Irish Republic has been cut to its lowest level for 18 years...

A statement from the Dublin Government said it was hoped the rate could be further reduced to around 2 per cent...



INFLATION Source: Department of Employment

The overall 0.4 per cent rise in the index compared with a 0.8 per cent increase in February last year...

The 12-month rate of inflation, 5.1 per cent, is the lowest since January last year...

The modern civil servant After the Westland affair and the Tisdall and Pounting leaks...

The generation gamble

Like mother, like daughter

Portfolio

Save or spend

Pathologist analyses agony of the crucifixion

Challenge on £8m Goya to go ahead

Hughes joins Barcelona in £2m deal

Lord Lane halts Bar's case until Monday



A young man with a replica rifle during the work stay-away in Uitenhage yesterday.

Esso deal cuts rise at pumps

By Teresa Poole and Philip Webster

The oil companies yesterday settled on a compromise which Esso announced that it would pass on the full 7.5p Budget duty rise...

BP, which said on Wednesday that it would raise prices to an average 18p, quickly imposed the same maximum price as Esso...

Both Mrs Thatcher and Mr Nigel Lawson, Chancellor of the Exchequer, made it clear this week that the Government wanted oil companies to absorb the higher duty.

Ministers, who are reluctant to consider imposing a windfall tax or to refer the companies' action to the Monopoly and Mergers Commission...

Earlier the police used tear gas to disperse a crowd which gathered at the spot where the shootings occurred.

There is no power in the world that can outstrip the power of the people.

Thousands of blacks attended demonstrations and rallies across South Africa yesterday to honour those who died in two police shooting incidents...

There were scenes of emotion, and anger, and some clashes with the police, but generally the protests, taking place after 18 months of continuous unrest...

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Blacks remember Sharpeville dead

From Michael Hornsby, Johannesburg

The crowd held aloft the green, yellow and black flag of the outlawed African National Congress and carried placards with pictures of its jailed leader, Mr Nelson Mandela.

Some youths brandished wooden replicas of AK47 rifles, a weapon used by ANC guerrillas.

A message was read out from Mr Mandela's wife, Winnie, in which she said blacks would not accept for ever that only their blood should be shed.

In Sharpeville itself, many youths took part in a traditional cleaning of the graves of the victims of the 1960 shooting. Police confiscated several T-shirts bearing the slogan "Remember Sharpeville"...

In central Johannesburg, 200 blacks marched through the streets, singing freedom songs.

Township toll: Thirteen blacks died in black-against-black violence in a 24-hour period, according to police yesterday (AFP reports).

Seven men were apparently murdered by young radicals in New Crossroads township near Cape Town, three people were burnt to death near East London and three were killed in an ambush on a bus in the homeland of KwaZulu.

Lord Lane halts Bar's case until Monday

Yesterday's hearing of the High Court action brought by the Bar against the Lord Chancellor over criminal legal aid fees ended unexpectedly early after the intervention of Lord Lane, the Lord Chief Justice.

At the lunchtime break he adjourned the case until Monday instead of continuing the hearing throughout the day as had been expected.

Lord Lane, who is hearing the case with Mr Justice Boreham and Mr Justice Taylor, took the step after commenting that he "would not like to have to rule against Lord Hailsham, who is head of the judiciary."

Ministers take tougher line over BL sale

By Philip Webster, Political Reporter

The Government yesterday toughened its line in the negotiations with General Motors over the sale of the BL truck division and Land Rover and warned the Americans that it was prepared to see the deal called off unless they agreed to acceptable terms.

With the talks in their final, delicate stages, senior ministers who have been closely involved admitted that General Motors had played a hard negotiating game and had still to reveal their final bargaining position.

It was clear that General Motors have yet to agree to the compromise deal which would allow British interests to retain a 51 per cent stake in Land Rover, or given sufficiently solid guarantees on jobs. Indeed General Motors are understood to be still holding out for an agreement that would eventually lead to them getting full control.

In what was obviously part of the negotiating process, senior ministers warned the American company that the Government could go no further without making the deal impossible to sell to Conservative backbenchers.

The American company was also told that the Government was no longer working under the pressure of an Easter deadline, and that next week's promised statement to the Commons by Mr Paul Channon, the Secretary of State for Trade and Industry, need not necessarily be definitive and might be a holding operation.

A senior member of the Cabinet committee considering the sale said yesterday that the Government had made clear that there were conditions that had to be satisfied, particularly over Land Rover. "If those circumstances cannot be met there is no deal," the minister added.

It was pointed out by Government sources that if there was no deal with General Motors, which the Government would clearly prefer, other bids would be reconsidered. But it was also said that if there was no deal with General Motors, there was no deal for the truck division since there was no other bidder for it at present.

Yesterday's warnings to General Motors were being seen by Conservative MPs last night as something of an exercise in brinkmanship by the Government. It still appears likely that a deal will be sealed next week. Although no meeting of the Cabinet is scheduled until after Easter it was made clear yesterday that if an agreement is reached a special meeting of the Cabinet will be summoned to ratify it.

Mr Norman Tebbit, the Conservative Party chairman, said yesterday that the Government had always taken account of both commercial and political considerations.

Speaking on the Channel 4 programme A Week in Politics, Mr Tebbit referred to the arrangements made to prevent foreign ownership with the flotations of Jaguar, British Telecom and British Aerospace and said: "So you can have a mixture of politics and commerce and good sense. They may go contrary to each other, they may run along the same lines."

Vicar in child sexual abuse claims resigns

By Peter Davenport

The vicar at the centre of allegations of sexual abuse of young children has resigned his parish, it was disclosed last night.

He wrote to the Archbishop of York, Dr John Habgood, to offer his resignation and has since left his church on Hammerside.

The decision of the vicar, a widower with three children, came after increasing pressure and the threat of a private prosecution.

Last night Mr Raymond Barker, the lay chaplain to the Archbishop, said that the letter of resignation had been delivered to the Archbishop's Palace in York on Thursday.

The vicar had refused a request by the Archbishop that he should resign six months earlier this week, Mr Geoffrey Dickens, Conservative MP for Littleborough and Saddleworth, was prevented by the Speaker from naming the vicar in the Commons.

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Vertical text on the left edge of the page, including "Ballester lifted by support players" and "I record year for old firm".

Vertical text on the right edge of the page, including "big is to a who it, L or" and "ria- of shor d of and of the full and i".

Kremlin launches propaganda offensive

Gorbachov determined to separate Europe from US

From Christopher Walker, Moscow

The Kremlin is launching a big propaganda offensive in Western Europe to persuade both governments and public opinion to adopt a more independent line from the United States on security policy, especially the key issue of Star Wars.

Well-placed diplomatic sources said here yesterday that the information drive would include visits by Mr Gorbachov, the Soviet leader, to strategic European capitals, the appointment of a new breed of communication-conscious Soviet ambassadors to senior European posts and the encouragement of more visits to Moscow by leading West European statesmen.

The European drive is understood to be one of the centrepieces of Soviet foreign policy for 1986. It involves the imminent appointment of new Soviet envoys to London, Bonn and Madrid, and visits by Mr Gorbachov and his elegant wife Raisa before the year's end to Rome, Athens and possibly Bonn — although this arrangement has yet to be finalized.

According to both Soviet and Italian officials, there is a strong chance that the visit to

Drive to bridge computer gap

As part of a drive to bridge the East-West technology gap, the Kremlin is to set up a state committee for computer facilities and information science which will oversee the expansion

Rome could include a historic meeting with the Pope.

It was confirmed here yesterday that Mr Ruud Lubbers, the Dutch Prime Minister, has accepted an invitation to pay an official visit to Moscow in the second half of the year, assuming that he wins the May general election.

Although the Dutch Government and Parliament have approved Nato plans to site 48 nuclear cruise missiles on Dutch soil in 1988, the Kremlin is known to regard The Netherlands as one of the strongest centres of public resistance to US nuclear strategy.

Other West European visitors to the Soviet capital are to include President Mitterrand of France, who accepted an invitation during Mr Gorbachov's successful trip to Paris last October. The Kremlin sees France as playing a pivotal role in its plans to alter

which Moscow plans to stage in Europe, making much greater use of local channels of communication.

Two central figures in the Kremlin campaign will be Mr Leonid Zamyatin, aged 64, the chief public spokesman for Mr Gorbachov, and Mr Yuli Kvitsinsky, aged 49, one of the Soviet Union's three negotiators at the Geneva arms talks. They are soon to become Soviet ambassadors in London and Bonn, respectively.

Mr Zamyatin, chief of the international information department of the Communist Party's Central Committee, was the master-mind of Mr Gorbachov's highly effective propaganda drive during his trips last year to Paris and later to the Geneva summit.

The appointment, which has yet to be announced officially, is seen in diplomatic circles as a considerable upgrading for the London embassy, and a pointer to the type of diplomatic exercise



Fanny Pollarolo, a leader of Chile's Communist Party, gets a soaking from police water cannon as anti-Government demonstrators try to salvage mock ballot boxes used for a symbolic vote on "Democracy Day" in Santiago.

Angry Pinochet confident he can retain control

Santiago (Reuters) — President Pinochet, angry about unprecedented US pressure on him and facing a new round of protest at home, has vowed not to alter his plan to stay in power until at least 1989.

Diplomats say the President appears confident that he can control any unrest, even though his opponents have taken heart from increasingly

outspoken criticism from Washington.

Even the communist-led Popular Democratic Movement hailed the US decision to sponsor a United Nations resolution deploring President Pinochet's human rights record.

"This switch by the United States (is) obviously the result of the State Department perceiving the extreme isolation

and weakness of the dictatorial regime which they helped impose on the Chilean people," the movement's president, Señor German Correa, said.

Explaining the US change of heart, the Assistant Secretary of State, Mr Richard Schiffer, said "quiet diplomacy" had failed to end killings, torture and kidnappings.

Chilean opposition leaders say the events in Haiti and the Philippines gave them a big psychological boost, and a former foreign minister, Señor Gabriel Valdés, urged Chileans to follow the example of the social mobilization in those two countries. Diplomats said, however, that splits in the opposition and disenchantment with protest so far could make it hard to spark mass demonstrations.

Sindona may have been poisoned to keep him quiet

From Peter Nichols, Rome

Most official thinking on the collapse of Michele Sindona is that he was poisoned to keep him quiet once and for all, rather than that he tried to kill himself. His lawyer discounts suicide.

Yet doubts remain. Signor Gian Franco Martinazzoli, the Minister of Justice, told the Chamber of Deputies yesterday that the account of the condemned banker's collapse given to him by prison guards in his high-security wing at Voghera was that "Sindona broke with his normal habit of drinking his breakfast coffee on Thursday morning separately from his food."

The guards said he took the cup into his bathroom, where they could not see him, and he emerged saying "they have poisoned me". If this account is true, some weight would have to be placed on it, because Sindona was an exceptionally methodical man.

An inquiry involving the guards has been opened into the whole question of how poison reached Sindona despite the elaborate precautions taken to protect him. One theory is that the breakfast and coffee were not poisoned but the cup itself had been treated with some poisonous substance.

Not even the theory about the use of cyanide goes completely unchallenged, because some experts say that even a small trace of cyanide would have meant Sindona's almost instantaneous death, whereas late yesterday he was still in a coma.

The former banker was sentenced on Tuesday to life imprisonment for instigating the murder of the liquidator of one of his banks. After sentencing he not only announced that he was appealing, but seemed in combative mood during a television interview. It is thought this may have prompted some people to de-

cide that it might be dangerous to allow Sindona to be tried again, because of the secrets which he might finally have revealed.

Sindona, who is 70, was at one time a close associate of Roberto Calvi, the Italian banker who was found dead in London four years ago.

Sindona, a Sicilian, had relations with the Mafia, which helped him to fake his own kidnapping. His name was on the lists of the banned secret Masonic lodge known as Propaganda Two, which was regarded as subversive and was the subject of a parliamentary inquiry.

The lodge was led by Licio Gelli, another of Italy's most famous mystery men. Gelli is still on the run after escaping from a Swiss high-security prison.

In the earlier stages of his career Sindona had been the trusted financial adviser of the Vatican.

He was already serving a 25-year sentence, passed in the US in 1980, for fraudulent bankruptcy. The Americans permitted his extradition to stand trial in Italy, but stipulated that he be returned to them after sentencing to finish his term.

Sindona said frequently that he was more humanely treated at Otsville prison, in New York State, than he was in Italy. So he was presumably looking forward to going back, especially as he was due to be released by the Americans on parole because of his good behaviour.

The Americans, nevertheless, would not have given him back to the Italians until he had served his 25 years, either in a cell or on parole. And that would mean he would have been nearly 90 by the time he could have come back to Italy to start serving his life sentence.

Strike ban as Ershad backs poll

From Ahmed Fazl Dhaka

President Ershad of Bangladesh yesterday banned all opposition protests against the April 26 parliamentary elections, including a general strike called for today.

General Ershad announced the ban in an address on radio and television as lorry loads of soldiers moved into Dhaka. If the opposition parties put off the boycott tonight there will be no restrictions.

He made a fresh appeal to the opposition to take part in the polls and promised to postpone them for a week to allow more campaigning time.

Paramilitary forces and riot police patrolled the streets as crowds gathered to hear the unscheduled address.

Alliance leaders had called the 12-hour strike to try to paralyse the Government. The alliances and the fundamentalist Jamaat-Islami refused to take part in the elections unless martial law was lifted.

KARACHI: More than 400 people were arrested after thousands demanding jobs and a crackdown on illegal drugs fought with riot police, who used tear gas and baton charges to prevent them from marching on government buildings (AP reports).

Transport chaos in Spain

From Harry Debellis Madrid

Ground crews of Spain's Iberia airline debated yesterday whether to call off a planned strike after receiving a new pay offer, while railway workers halted trains for four hours, and the Interior Ministry disclosed plans to cope with record traffic during Holy Week.

Iberia offered an 8 per cent pay rise, 1 per cent below that demanded by unions.

However, railway workers showed no sign of giving up their strike plans, which are to do with bonus payments and hiring practices. A two-hour stoppage yesterday morning and another in the afternoon inconvenienced half a million people.

The railmen said they intended to repeat the strike on Monday, and stage 24-hour stoppages on Wednesday, and on April 1.

Spain's biggest charter airline, Spantax, is facing strikes on Monday, Tuesday and Wednesday, and on April 2, 3 and 4. Employees are protesting against arrears in wages.

The Interior Ministry's Directorate of Traffic published guidelines for motorists. More people are expected to travel by car during the holidays.

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2.0SGX Automatic 4-door	2.0LX Diesel Manual 5-door
1.8ZX Turbo Manual 4-door	2.0LX Diesel Manual 5-door
2.0LX Diesel Manual 4-door	2.0LX Diesel Automatic 5-door
1.6L Manual 5-door	

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White House maps out Senate strategy

Shaken Reagan continues his fight for Contra aid

From Michael Blayon, Washington

Shaken though undaunted by his defeat in the House of Representatives, President Reagan has moved swiftly to continue his fight for \$100 million (£65.8 million) in aid to the Nicaraguan rebels, whom he has told not to lose heart.

Within minutes of the 222-210 vote against his aid plan, the President summoned Senate Republican leaders to the White House in map out a strategy for getting the Bill through the Republican-controlled Senate as quickly as possible. It will be introduced

on Tuesday, and its expected passage is likely to force the House to endorse at least some military aid for the Contras when it reconsiders the issue on April 15.

Sombre White House officials were yesterday investigating why their strategy over the past two weeks failed to persuade enough House Democrats and Republicans to back Mr Reagan.

None the less, the Administration's last-minute compromise, offering a 90-day delay in supply of offensive weapons, was a tactical mis-

take, weakening the previous insistence on Contra need for immediate help. Some Democrats also saw this as a ruse to get the full \$100 million without any real concession, since most of the money could not have been spent immediately in any case.

Mr Reagan has suggested that his compromise to give time for negotiations to begin between the Sandinista Government and the Contras should now be written into the Senate Bill.

Insisting "the vote must be reversed", Mr Reagan said in

a message to the Contras that they should keep up their hopes, as the American people were only beginning to awaken to the danger on their doorstep. Many of those voting against the aid Bill, however, said the majority of their constituents were unconvinced of the security threat posed to the US.

"It's a difficult issue to explain to the public," a senior House Republican said. "It's not on the front-burner of public consciousness."

The Administration is now likely to redouble negotiating efforts to reassure Congressional opponents that it is not choosing a military option over diplomacy. Mr Philip Habib, the special envoy to Central America, is expected to return to the region shortly.

Meanwhile, the presidents of the five Central American nations, including Nicaragua, have agreed to meet in Guatemala on May 23 and 24 to discuss a negotiated settlement of the region's conflicts. Washington has noted that the Nicaraguan and Soviet reactions to the House votes have been relatively restrained, suggesting they realized further strident rhetoric may jeopardize the negotiating efforts.

Mr Reagan's supporters say these indications of flexibility have only been brought about by the likelihood that Washington will vote for military aid for the Contras.

Sceptical Ortega fears war

From John Carlin, Managua

Refusing to be heartened by the vote in the US Congress, President Ortega of Nicaragua said that President Reagan's "terrorist" policy would continue, obliging Nicaragua to still greater mobilization of its military forces against the risk of an eventual American invasion.

The diplomatic community here sees the result of the vote as a victory for Nicaragua's Sandinista Government. But President Ortega predicted at a news conference after the vote on Thursday night that President Reagan would find a way to continue support for "the mercenary forces" — the Sandinista term for the estimated 15,000 Contras.

Far from expressing any gratitude to the Congressmen who voted against President Reagan, the Nicaraguan President said it was "immoral" and against international law for the American Congress even to be debating means of making war against a country with which the US has diplomatic relations.

Senior Ortega anticipated what he called a "Vietnamization" of the Nicaraguan conflict. He noted that reports from Washington said the US means to provide the currently demoralized Contras — who seem further than ever now from the Sandinistas overthrow — with military advisers.

"In Vietnam they began with military advisers and ended up with half a million soldiers," he said.

While the US insisted on seeking military solutions in Central America, he went on, the threat existed of a direct US intervention, with the "great hoodlums" that would involve.

Demanding American respect for Nicaragua, President Ortega said his policy of negotiation remained "invariable". But instead of speaking to the Contras, as Washington insists, he said he would talk only with the "mercenaries" chief, who is President Reagan's.



Mrs Susan Barrantes and her husband, Hector, mother and stepfather of Miss Sarah Ferguson, meeting the press in Buenos Aires after Buckingham Palace's announcement of the engagement to Prince Andrew.

End of long march for UK hostages

Lisbon — Four Britons were among the 194 hostages who arrived at Lisbon airport on a flight from Kinshasa, where they had been freed by Uoita rebels after a 300-mile march through Angola to Zaire (Martha de la Cal writes).

They are Mr John Sutherland of Perth, project manager for Intraco in the Angolan diamond mining down of Andrada, from which they were captured on March 1; Mr Keith Dyton, a foreman engineer; Mr Terrance Richards of Cornwall, a foreman; and Mr Simon Tingay, a mechanic.

Shuttle debris examined for clue

From Mohsin Ali, Washington

The nature of the debris, thought to be the most valuable piece of wreckage recovered so far, may be announced at a public hearing of the presidential commission investigating the disaster.

Meanwhile, Senator Ernest Hollings (Democrat, South Carolina) has asked the White House for its telephone logs on the day Challenger blew up, saying he wanted to find out if any pressure was exerted on NASA officials to launch the shuttle.

The White House has strongly denied that there was any pressure to launch Challenger on January 28, a few

hours before President Reagan was originally due to make his televised State of the Union address.

Senator Hollings asked the White House for a log of telephone calls from January 20 to noon January 28 between the White House and senior NASA officials.

● KOUROU, French Guiana: The launch of the European Ariane rocket, aborted in its final seconds on Wednesday, has been rescheduled for March 28, according to the director-general of Arianespace, M Charles Bigot (Reuters reports).

Test for Chirac in campaign to legislate by decree

From Diana Geddes, Paris

Enabling Bills to permit the right to by-pass Parliament and legislate by decree in two key areas are expected to head the agenda at the first meeting of the new Cabinet to be held at the Elysee Palace today, with President Mitterrand in the chair.

In a speech immediately after being made Prime Minister on Thursday, M Jacques Chirac announced that his government intended to issue decrees to bring back majority voting and to introduce a programme of privatization as well as to bring in a series of economic measures designed to set the economy rapidly back on the road to recovery.

It has been widely assumed that M Chirac must have got M Mitterrand's acquiescence for such a move as part of the "cohabitation" package thrashed out by the two men in lengthy conversations earlier this week. The President's signature is required on all decrees before they can come into force.

Whereas the President is obliged under the constitution to sign all Bills passed by Parliament within a set period, usually 15 days, he is under no such obligation in the case of decrees.

M Chirac could, therefore, find himself running into serious difficulties unless he has already got M Mitterrand's tacit approval.

Legislating by decree entails two important advantages for M Chirac. It enables him to avoid lengthy parliamentary debate which could hold up his economic programme, and it allows him to prevent a dangerous public split within

the right's ranks over the controversial issue of majority voting.

It is no secret that many members of the centre-right UDF, the Gaullist RPR party's junior partner in government, feel that they might, therefore, have been tempted to vote against a Bill to bring back majority voting.

Numerically, the 37 ministerial posts in the new government have been shared out equally between the UDF and the RPR, but M Chirac's party has taken the lion's share of the important portfolios, including all those relating to the economy — finance, foreign trade, the budget and privatization.

The RPR wants to move faster than the more cautious UDF in liberalizing the economy and in cutting taxes.

Yesterday M Chirac said he had no intention of giving up his functions as Mayor of Paris, and that he would continue to live in his private apartments in the Hotel de Ville, though he would work during the day from the Hotel Matignon, the Prime Minister's office.

He performed his first public duties as Prime Minister yesterday when he received Mr George Shultz, the US Secretary of State, who is on a one-day semi-private visit to Paris. As a sign that "cohabitation" had begun, Mr Shultz visited President Mitterrand just before going to see M Chirac.

M Mitterrand has sent a glowing tribute to his former Prime Minister, M Laurent Fabius, thanking him for the work he achieved.

Arab link in Paris bombings

From Diana Geddes, Paris

The Committee for the Support of Arab and Middle East Political Prisoners claimed responsibility yesterday for the bomb attack in a crowded shopping arcade on the Champs Elysees on Thursday in which two people were killed and 28 injured, nine of them seriously.

The same organization has claimed responsibility for the bomb attack against the high-speed TGV Paris-Lyons train on Monday, in which 10 people were injured, as well as three bomb attacks in Paris shopping centres in February in which a further 21 people were hurt.

On each occasion, the organization has demanded the release of three convicted terrorists imprisoned in France.

M Jacques Chirac, the new Prime Minister, who visited the shopping arcade soon after the bomb went off, said yesterday that such "bestial and inhuman acts" demanded an increase in the human, technical and judicial forces deployed in the fight against terrorism.

Much more systematic security checks were required in public places vulnerable to attack, he said.

Jubilant gays hail new law

From Christopher Thomas, New York

After a 15-year battle New York City has made it illegal to discriminate against homosexuals. Greenwich Village, the chic area of Manhattan where gays congregate, went wild with jubilation.

The vote in the city council was a surprisingly decisive 21 to 14. Mayor Edward Koch supported the measure, which empowers the city's Human Rights Commission to investigate complaints of discrimination in housing, employment, public accommodation, ownership of land and the leasing of commercial space.

The commission can impose maximum penalties of a year in prison or a \$500 (£330) fine, although in practice punishments are likely to be moderate.

Passions ran high in a four-hour debate in the ornate council chamber, the ceiling of which bears Thomas Jefferson's words: "Equal and exact justice to all men of whatever state or persuasion." Several council members cried as the vote was taken, saying the pressures had been exhausting.

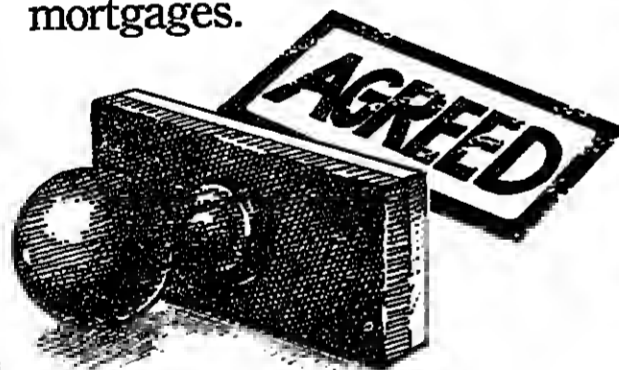
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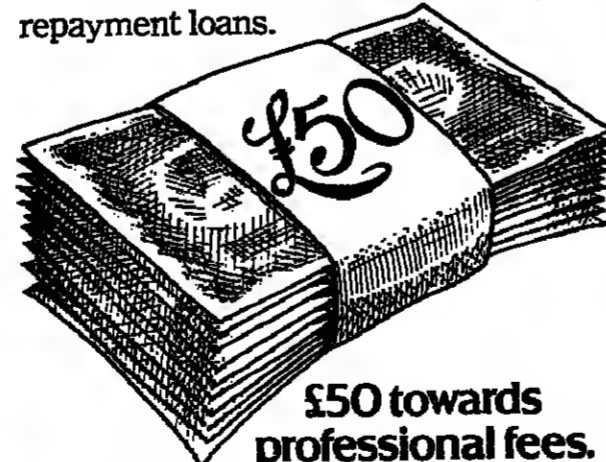
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1. SERPS is unfair and poor value for money.

Once, the State Earnings Related Pension Scheme (better known as 'SERPS') was a gleam in Barbara Castle's eye (remember her?).

It was set up with the admirable objective of providing a decent pension for every employee who wasn't properly looked after by a private company scheme.

In today's cold light of day, however, SERPS looks distinctly like bad news for everyone.

For not only are the pensions it promises to its members actually very poor value for money.

But the eventual cost of providing those pensions on a 'pay as you go' basis (the way Governments pay for everything) could end up making the Trident programme look like petty cash.



5. Your workforce will enjoy substantial benefits. And so will you.

The management of any responsible company will take pride in ensuring that its workforce is going to enjoy full financial security in retirement. But there are also more direct business reasons for starting your own company pension scheme.

Employees who are financially secure are likely to prove both more productive and more loyal. And you'll also find that a good pension scheme can be an important factor in persuading more good people to come and work for you.



2. The Government is planning to make it worse.

Well? What would you do? To its credit, the Government has decided to face the reality of SERPS, rather than bequeathing its unresolved problems to its successors in the 21st Century.

It is now introducing legislation to reduce the burden of SERPS on future generations.

Which, of course, means further reducing the value of future pensions many existing members can expect from SERPS.



6. Every day you waste means more money down the drain.

Even before the present Government began its review of pensions legislation, many companies had already elected to contract out of SERPS in order to provide better pension benefits for their employees at little cost to themselves.

Now the Government has made clear its intention to run SERPS down, it makes even more sense to contract out.

Throwing good money after bad isn't a good idea, and since all contracted out schemes started now will automatically qualify for the extra 2% incentive when it becomes available, there is every reason to act immediately.



3. But it is prepared to give a subsidy of 6 1/4% of your wage bill if you set up your own company scheme.

Many companies don't realise that if they contract-out of SERPS they qualify for a substantial saving on their National Insurance Contributions.

It amounts to a subsidy worth approximately 6 1/4% of payroll costs. A subsidy so substantial in fact, that it will cover most of the cost of running an excellent private pension scheme for the company.



7. Crown can set up a scheme for you without delay or problems.

Crown Financial Management is a leading financial services group that already looks after the interests of more than one million people in the UK, and which provides company pension schemes for many thousands of British companies.

Our 'Fair Deals For Retirement' Plan has been designed specifically to meet the Government's criteria for contracting out of the State Scheme and thus qualifying in full for the Government's generous subsidies.

Our organisation takes care of everything, from producing descriptive literature in your company's name and explaining the benefits to your employees at specially arranged meetings, right through to paying their pensions when they retire.

Well-deserved pensions that they would not have been able to look forward to, had you not had the foresight - and the hard-headed commercial sense - to redirect a large part of your National Insurance Contributions into your company's own pension scheme.

Stop throwing good money after bad. Send us the coupon. Now.



4. It intends to offer another 2% subsidy soon.

And the Government's generosity doesn't end there.

So keen are they to encourage firms to take over the role of providing employees with pensions, that the new Social Security Bill provides for the subsidy on contracted out schemes to be boosted by a further 2% of payroll costs as from early 1988.

To: Department FDR, Crown Financial Management, Freeport, Woking, Surrey GU21 1BR. (No stamp required). Or telephone: 04462 5033. Please let me have full details of Fair Deals For Retirement.



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WHEN BISHOP IS A WOMAN

The Church of England has sometimes been accused of thinking and acting as if the rest of the Anglican Communion hardly existed.

inevitably face other bishops everywhere with an awkward choice. Pressure will be on them to repudiate or endorse her appointment even if, in the normal course of English episcopal life, they would hardly expect to have much to do with her.

shared by the American episcopate. The international Committee of Primates, which has just completed a meeting in Toronto under the chairmanship of the Archbishop of Canterbury, represents a step towards this more grandiose conception of the Anglican Communion.

CHANGES IN THE BALKAN AIR

Geographical proximity may be the sole consideration behind Sir Geoffrey Howe's combined visit to Greece and Yugoslavia this week.

abroad. It has been unable to overcome its chronic economic problems of inflation running at an annual rate of over 80 per cent, a massive foreign debt, and unprofitable industry.

ments of the two countries. Both Greece and Yugoslavia appreciate Britain's importance as a centre of international finance and have benefited from banking and credit arrangements initiated by London.

TOO MANY CHEMISTS

As a species of private enterprise local chemist shops pay badly. Yet their number is increasing and the supply of qualified pharmacists is rising.

wide-spread acceptance of a broadened role for chemists that made them into a paramedical profession.

provision of advice is a free gift. Nuffield's recommendation of closer integration of the pharmacist with the health services implies both more detailed supervision of pharmacy practice (for example the sensible suggestion that chemists shops provide some space for confidential talk between customer and pharmacist) and better control over location and number of dispensing pharmacists.

LETTERS TO THE EDITOR

Equal rights on tax for wives

From Mr J. R. Hawthorn Sir, According to your Economics Correspondent (March 15) the Institute of Fiscal Studies condemns the Chancellor's income tax proposals on the ground that they take away the working married woman's tax allowance.

'Excellence' at schools of music

From Professor Raymond Fischer and others Sir, We are professors at four of the five publicly funded music colleges in England, and are the chairmen of the respective branches of the National Association of Teachers in Further and Higher Education.

This fact is often not understood by the public at large, attracted by the star status of big international names.

Gospel to cities

From Mr R. M. Rowett Sir, The Reverend Timothy Raphael, as Archdeacon of Middlesex, rejecting the appeal for funds for St Cuthbert's, Philbeach Gardens, asserts (March 5) "The test will be if we can really as a Church make the change from maintenance to mission".

'Good' composers

From Mr R. Anthony Dams Sir, Your music critic mentioned in his review of the Huddersfield Choral Society's Messiah (March 12) "dark Victorian days when we were incapable of nurturing one good composer".

May one presume to advance the claims of Arthur Seymour Sullivan, or even those of Edward Williams Elgar? Or does your critic consider them to be great as opposed to good composers?

Value of Giotto

From Mr R. W. Saunders Sir, While applauding your leader, "An historic rendezvous" (March 13) on the Giotto cemetery probe, I must take you to task over your description therein of armour-piercing projectiles as an example of the commercial application of scientific endeavour.

Rent control

From the Chairman of the Small Landlords Association Sir, Mr Kenneth Braidwood (March 7) says that the private rented sector has now shrunk to less than 5 per cent of Britain's housing stock, mostly occupied by long-established sitting tenants.

Much of this part of the private rented sector is in the hands of smaller private landlords, who when they get a vacancy are totally deterred from reletting by the impossibly onerous terms imposed by the Rent Act.

Law centres at risk

From the General Secretary of the British Legal Association Sir, The prospect of ten million people wandering aimlessly throughout Britain in the year 1986 seeking advice from non-existent law centres may well alarm Cardinal Hume and others.

Clearer Rugby

From Mr R. A. B. Crowe Sir, Mr Colin MacIvor, who asks (March 14) for a set of simple arm signals for the referee in Rugby Union matches, is just 10 years behind the times.

If, as Mr MacIvor suggests, commentators have trouble determining the cause of a stoppage despite the current profusion of signals, it is unfair of him to imply blame to referees and administrators.

Danger to birds

From Mrs Josephine de Goris Sir, Dr Margaret Walden (March 17) warns of the danger of nylon mesh food holders for birds, suggesting string as an alternative.

Spain and Nato

From Mr Madron Seligman, MEP for Sussex West (European Democrat (Conservative)) Sir, Your leader on the Nato referendum in Spain (March 14) refers unfairly to the "dubious political tactics" of the right-wing opposition leaders, who called on their supporters to abstain.

Under false colours?

From Mrs Adele A. Kiltrick Sir, My father used to tell us of the occasion when, as an undergraduate at Cambridge before the First World War, he was included in the team to play a chess match against Oxford.

Meaningful terms

From Mr T. W. Miller-Jones Sir, It is by no means essential to have two estate agents for curious parallels to be drawn. When we bought this house some years ago the garden (then, as now, in a state of deferred maintenance) was described in a single phrase as "A naturalist's paradise, excellent shooting".

ON THIS DAY

MARCH 22 1919 In March 1918 Russia and Germany signed the Treaty of Brest-Litovsk, which Britain and her allies refused to recognise.

THE RULER OF SIBERIA

NEW HOPE OF RUSSIA (From Our Special Correspondent) KHARBIN, March 10 At Omsk I met not a few people whom I last saw in Petrograd 17 months ago, but the leading lights of old and new Russia remain west of the Urals.

POPULAR BRITISH SOLDIERS

The Ural front is held exclusively by the Russians. The new regiments forming are required to break the Bolshevik line and sweep into Russia.

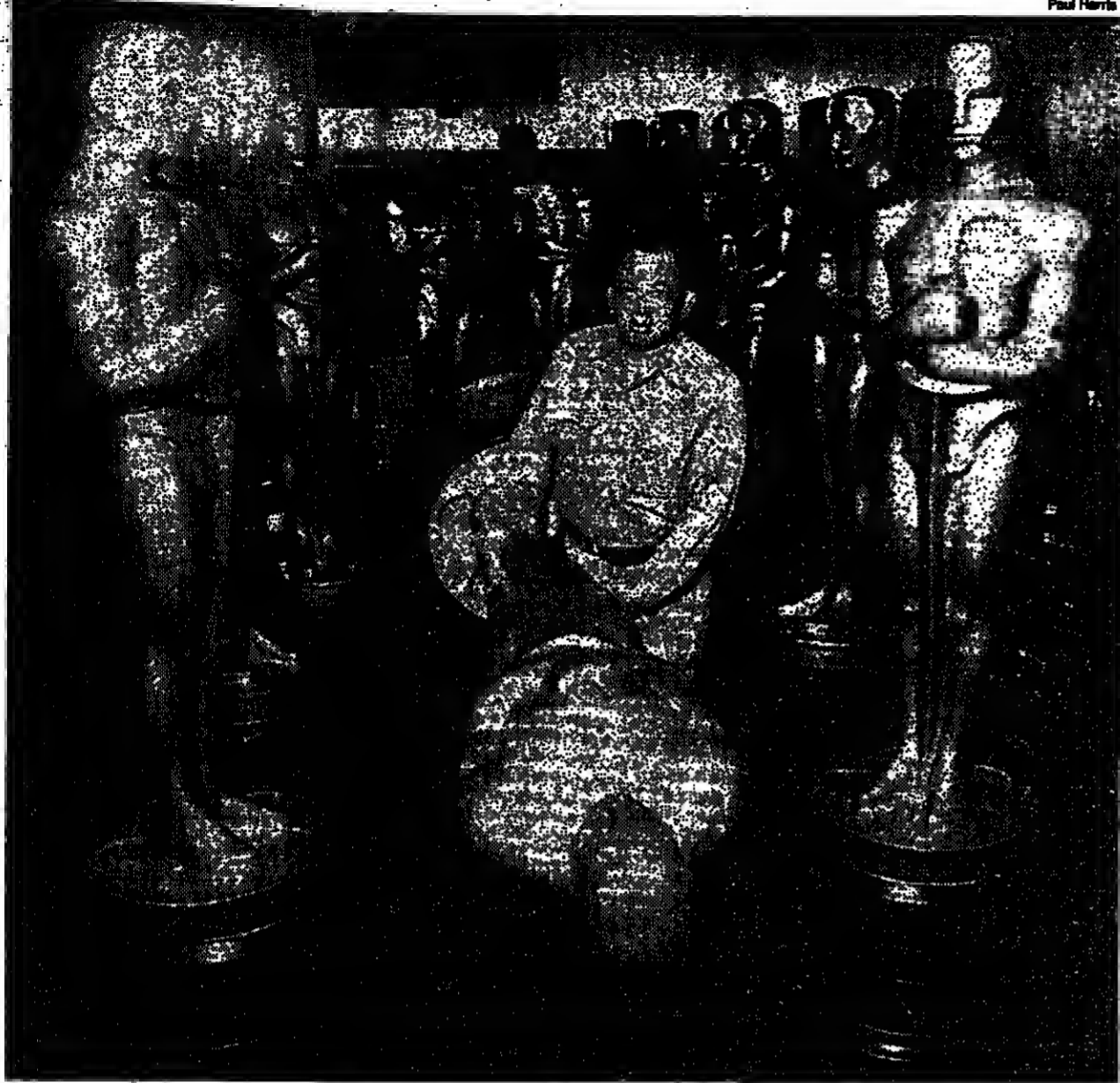
Seen along the line

From Mr S. H. Freedman Sir, Mr Jackson's letter (February 26) about the inflatable scarecrow reminded me of Mr Beresford, an old gardener who once worked for me.

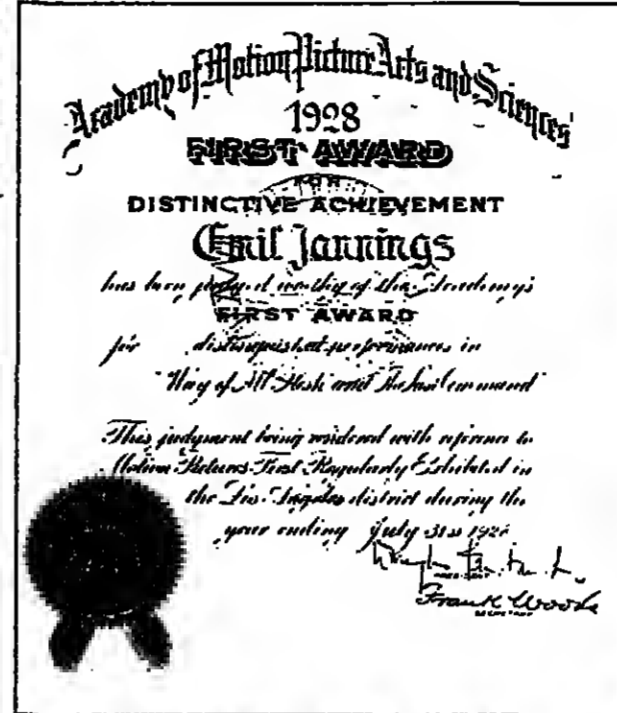
March 22-28, 1986

Next week the film world gives its favourites their prizes. Douglas Thompson reveals the unwritten rules behind the tinsel

Uncle Oscar's billion-dollar baby



Almost ready: The life-size Oscars which will decorate the auditorium get their annual spring clean



(Above left): the first award certificate. (Above right): Current Academy president Robert Wise



Oscar winners (from left): Norma Shearer (1930), Walt Disney (1941), Barbra Streisand (1969) and Warren Beatty (1981)

On Monday afternoon at about 4pm the idling of a couple of hundred stretch limousines... The commercial stakes are high. The rough rule is that a Best Picture Oscar can add more than \$20 million to the domestic (US) box office of a film and a Best Actress or Best Actor award puts the asking price for their next movie at \$1.8m.

is so often blamed for maiming the cinema, is the ironic lifeblood of the Oscar ceremony. It took just under five minutes to hand out the Oscars in 1929. Two years ago it took a record three hours and 40 minutes to present the Awards. Then a typical winner took one minute and 39 seconds to thank 7.8 friends, relatives, colleagues and supporters.

The statuette - depicting a naked man plunging a sword into a reel of film - was designed by a famous MGM art director, Cedric Gibbons. It is 13 1/2 inches high, weighs 6lb 12oz, and is made of bronze coated with 14-carat gold. There are many claims about how the golden gentleman got his name but the generally accepted story is that an Academy librarian, Margaret Herrick, when seeing the figure for the first time, said it reminded her of her Uncle Oscar.

who everybody knew was at home dying. Some funny things too. I remember Joan Crawford backstage with a cooler marked Pepsi-Cola - one that was filled with vodka. President Robert Wise says the Oscars should be the Greatest Show on Earth. Raymond Chandler, who knew all about Grand Avenue and the other "mean streets" of Los Angeles, saw it somewhat differently.

Advertisement for Langdale, featuring a large image of a house and text: 'The place in the Lake District you always promised yourself. For most people only a dream, but with Langdale Time-Ownership you can afford a luxury holiday home every year for life...'

Voting is by secret ballot and to guard against fraud, the process is supervised by Price Waterhouse, the accountants. Since surprise became a prime ingredient of the ceremony more than 50 years ago, the names of the winners have never been leaked. Frank Johnson, a partner in Price Waterhouse, plans to keep it that way, locking the sealed envelopes with the names of the winners in a vault until they are taken to the ceremony on Monday.

1986 CONTENDERS list including Best Film (The Colour Purple), Best Actress (Anne Bancroft), Best Actor (Harrison Ford), and Best Director (Hector Babenco). Includes photos of Meryl Streep and John Huston.

SATURDAY Tragedy queen Eileen Atkins: hopes, regrets and a red-hot temper - page 18

Advertisement for La Manga Club, featuring text: 'La Manga Club is undoubtedly one of the great holiday resorts in Europe'. Includes a map and contact information.

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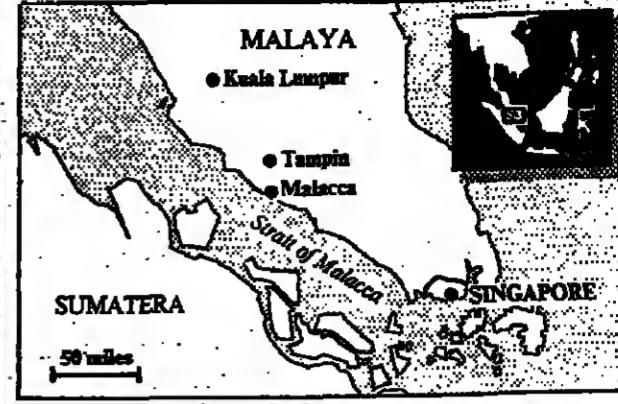
UNIVERSITE DE NEUCHÂTEL (Switzerland) Holiday courses 1986 (14 July - 8 August) French language and literature

TRAVEL Mixed blessings in a tropical melting pot

Sheltered by his broad-brimmed hat, Paul Routledge sets out to decode the complexities of Malacca's rich history

Malacca, said John Turnbull Thomson, was "the Brighton of the Singaporean Chinese. To this place they come to spend their holidays, to eat the luscious fruit so abundant in the place, to indulge in recreation and repose from the mercantile anxieties of the great emporium."

Admittedly, he was writing in 1864, and then of a visit paid to the historic Malayan city a quarter of a century earlier. But the principle still holds good 150 years later.



TRAVEL NOTES Malacca (Melaka in Malay) is about 100 miles south of the Malaysian capital Kuala Lumpur, 150 miles north from Singapore; there are flights from both.

It is hard to refrain from such metaphors of relaxation when writing of Malacca. Bruce Lockhart, wrote of the city as "a sleepy hollow" with "a sleepy old world atmosphere."

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AGENTS ATOL 1824... EASTERN NEEDS, Ocean Airways, 25-26, 27, 28-29, Mar. 142

SELF-CATERING SPAIN MARABELLA (Major Can.) beach front, private luxury beach club

WINTER SPORTS... SELF-CATERING CARIBBEAN

SELF-CATERING CANARY & MADEIRA

AGENTS ATOL 1824... EASTERN NEEDS, Ocean Airways, 25-26, 27, 28-29, Mar. 142

WINTER SPORTS... SELF-CATERING CARIBBEAN

WINTER SPORTS... SELF-CATERING CARIBBEAN

AGENTS ATOL 1824... EASTERN NEEDS, Ocean Airways, 25-26, 27, 28-29, Mar. 142

THE WEEK AHEAD



TELEVISION

HOOF PRINT: Shergar was the champion racehorse abducted from a stud in southern Ireland...



THEATRE

HEARTFELT: Martin Sheen, Hollywood star of Apocalypse Now, makes his British stage debut...



OPERA

POPP SONG: Lucia Popp, the Czech soprano who was last heard here three years ago...



EXHIBITIONS

NORMAN LEGACY: William the Conqueror ordered the survey which became known as the Domesday Book...



FILMS

BLACKSTUFF: Alan Bleasdale makes his cinema debut with an abrasive black comedy...



BOOKS

SADDLE LORE: Dick Francis has temporarily abandoned his thrillers for Lester...

THE TIMES CHOICE

THEATRE

IN PREVIEW

ALL THE FUN OF THE FAIR: The 7-84 Theatre Company in a new show for which the theatre becomes a funfair...

IL CANDELAIO: Set in 16th-century Naples, the play follows a heretic in Rome...

OPENINGS

MOON ON A RAINBOW SHAWL: Post-war Trinidad back-street life...

ROAD: Surreal study of a small Lancashire town...

SELECTED

GLENGARRY GLEN ROSS: David Mamet's hard-edged, acerbic vision of duplicitous Chicago estate agents...

THE APPLE CART: Peter O'Toole and Susannah York star in Val May's spirited revival of Shaw's political comedy...

OUT OF TOWN

BRISTOL: The Rivals/Moll Flanders: Main theatre has Shandari's satirical comedy...

EDINBURGH: Mr Government: A tale of a war veteran returning to his native Ayrshire...

CONCERTS

WILD LISZT: Earl Wild continues his remarkable series of Liszt recitals...

ON TOUR: London Contemporary Dance Theatre gives works by Robert Cohan...

SHOSTAKOVICH: Continuing his series, the Borodin Quartet reaches Nos 14 and 15...

THE APOSTLES: The Philharmonia Chorus and Orchestra with soloists offer Elgar's The Apostles...

AFRICAN APPEAL: The Amadeus Trio plays Mozart's great Divertimento K 563 and Schubert's 'Trout'...

BENNETT AT 50: To mark Richard Rodney Bennett's 50th birthday...

ELGAR/BRITTEN: Elgar's Symphony No 2 and Britten's Young Person's Guide to the Orchestra...

ROYAL OPERA: Two performances of the Royal Opera's new production of Der Fliegende Holländer...

ENGLISH NATIONAL OPERA: Wagner's Easter opera, Parsifal, plays this week on Tues and Mar 29...

KENT OPERA: A Prom performance of their new production of Monteverdi's The Coronation of Poppea...

ROYAL BALLET: Just three performances of Giselle this week, with Maria Almaidia...

NEW DANCES: The Place presents two companies. Strip Search (Mon) is a new venture directed by Nelson Fernandez...

ROCK AND JAZZ

CAMOEN JAZZ FESTIVAL: Art Blakey leads his fiery Jazz Messengers...

JAMES BLOOD ULMER/GEORGE ADAMS: Two ultra-modern jazz musicians, both with roots in the most basic r&b...

ROOMFUL OF BLUES: Big-band r&b by an American outfit now half-way through its second decade...

JOAN BAEZ: Topping the bill of an 'international women's evening'...

JAMES TAYLOR: Has he any more to offer than nostalgic retreads of 'Fire and Rain'?

IN TANDEM: Master painters turn their hands to sculpture. Includes work by Picasso, Matisse, Giacometti and Schnabel...

DAVID HOCKNEY: Vividly coloured lithographs of a year's work in New York...

GIRTS TO COLLIER: Early 19th-century watercolours by Girtin, Cox, de Wint and Collier...

NEW CONTEMPORARIES: Grand masters of the future, in a show of work by recent art school graduates...

GEORGE BELCHER: First retrospective of the comic artist since his death in 1947...

CHURCHILLIANA: Two hundred items from the private collection of Ronald Smith...

BERNSTEIN FESTIVAL: Booking opens today for concerts to celebrate the career of American composer Leonard Bernstein...

BRISTOL OLD VIC: Bookings open this week for season ticket holders for

GALLERIES

WILD LISZT: Earl Wild continues his remarkable series of Liszt recitals...

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When revenge is pure poetry



When Eileen Atkins first embarked on an acting career, agents discouraged her because she lacked the conventionally pretty looks...

Weary of playing drab housewives, Eileen Atkins has now turned to Greek tragedy

ARTSDIARY

Ruling Spark

Arts Diary can reveal this morning that the next official portrait of the Queen - her 96th since she came to the throne - contains for the first time that symbol of royal eccentricity...

The Queen did not sit in the traditional manner for artist Michael Leuninger, but allowed him to take photographs of her from which he painted the canvas...

Leonard, whose pictures are principally of the male form in various stages of undress, asked the Queen if she would sit with her corp, Spark...

Tutu tough?

Irony that the massive security being mounted for the Bolshoi Ballet's first trip to Britain in 12 years should all be aimed at keeping the audiences at bay...

Verity Lambert, the veteran television and film producer at Euston Films and EMI films, recently left to set up on her own...

New pennies

The long-awaited sequel to Dennis Potter's Pennies From Heaven is finally under way. Called The Singing Detective...



'This is the piece of work I'd like to be remembered for', he told me. 'It goes leagues forward from anything I've written...'

Pop billing

It's not unknown for musicians to do a little gig on the side to help pay the bills - but a whole orchestra?

Advertisement for 'HILARIOUSLY OVER THE TOP' at Globe Theatre. Includes quotes from The Guardian, Financial Times, and Punch. Features a cartoon of a man singing into a microphone.

Advertisement for 'FIRST CHANCE' and 'LAST CHANCE' bookings. Lists various events, including 'The Life of Galileo' and 'Bernstein Festival', with contact information.

STOCK EXCHANGE PRICES

Shares turn mixed

ACCOUNT DAYS: Dealings began March 10. Dealings end March 27. Contango day April 1. Settlement day, April 7. Forward bargains are permitted on two previous business days.

THE TIMES Portfolio

From your portfolio card check your eight share price movements. Add them up to give you your overall total. Check this against the daily dividend figure published on this page. If it matches you have won outright or a share of the total daily prize money stated. If you are a winner follow the claim procedure on the back of your card. You must always have your card available when claiming.

Table listing 40 companies in the Times Portfolio with columns for No., Company, and Your Share or less. Includes categories like ELECTRICALS, INDUSTRIALS A-D, BUILDING AND ROADS, and BRITISH FUNDS.

Weekly Dividend

Please make a note of your daily totals for the weekly dividend of £40,000 in today's newspaper.

Table for weekly dividend totals across days of the week.

BRITISH FUNDS

Table of British Funds with columns for High Low, Company, Price, Change, % P/E.

SHORTS (Under Five Years)

Table of Short-term investments with columns for No., Company, Price, Change, % P/E.

FIVE TO FIFTEEN YEARS

Table of Medium-term investments with columns for No., Company, Price, Change, % P/E.

UNDATED

Table of Undated investments with columns for No., Company, Price, Change, % P/E.

INDEX-LINKED

Table of Index-linked investments with columns for No., Company, Price, Change, % P/E.

BANKS DISCOUNT HP

Table of Banks Discount HP investments with columns for No., Company, Price, Change, % P/E.

BREWERS

Table of Breweries with columns for 1985/86 High Low, Company, Price, Change, % P/E.

BUILDINGS AND ROADS

Table of Buildings and Roads with columns for 1985/86 High Low, Company, Price, Change, % P/E.

FINANCE AND LAND

Table of Finance and Land with columns for 1985/86 High Low, Company, Price, Change, % P/E.

FOODS

Table of Foods with columns for 1985/86 High Low, Company, Price, Change, % P/E.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics with columns for 1985/86 High Low, Company, Price, Change, % P/E.

CINEMAS AND TV

Table of Cinemas and TV with columns for 1985/86 High Low, Company, Price, Change, % P/E.

DRAPERY AND STORES

Table of Drapery and Stores with columns for 1985/86 High Low, Company, Price, Change, % P/E.

ELECTRICALS

Table of Electricals with columns for 1985/86 High Low, Company, Price, Change, % P/E.

E-K

Table E-K with columns for 1985/86 High Low, Company, Price, Change, % P/E.

L-R

Table L-R with columns for 1985/86 High Low, Company, Price, Change, % P/E.

S-Z

Table S-Z with columns for 1985/86 High Low, Company, Price, Change, % P/E.

INSURANCE

Table of Insurance with columns for 1985/86 High Low, Company, Price, Change, % P/E.

LEISURE

Table of Leisure with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Mining

Table of Mining with columns for 1985/86 High Low, Company, Price, Change, % P/E.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for 1985/86 High Low, Company, Price, Change, % P/E.

INDUSTRIALS A-D

Table of Industrials A-D with columns for 1985/86 High Low, Company, Price, Change, % P/E.

THE TIMES Portfolio Daily Dividend £2,000 Weekly Dividend £40,000. Includes contact information for claimants.

Table of Overseas Traders with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Paper, Printing, Adverts with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Property with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Mining with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Shipping with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Motors and Aircraft with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Shoes and Leather with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Table of Textiles with columns for 1985/86 High Low, Company, Price, Change, % P/E.

Vertical text on the left margin containing various words and phrases, possibly a solution to a word search or a list of terms.

WALL STREET

New York (AP-D) — A powerful blue-chip rally lifted the broader market to higher levels on Thursday as the Dow Jones industrial average closed its first close above the 1,500 level. The industrial average surged by 16.29 points to 1,504.74, surpassing the previous record of 1,492.74 which was set last Friday. The index held double-digit gains throughout most of the session and peaked with a 24-point gain in the final 30 minutes of trading. The blue chip indicator, which first ventured above 1,500 on Tuesday, closed above 1,700 for the first time just three weeks ago yesterday. The index then underwent a period of consolidation.

Table with columns for various stock indices and prices, including Dow Jones Industrial Average, S&P 500, and various sector indices.

FOREIGN EXCHANGES

Table showing Sterling Spot and Forward Rates for various currencies including the US Dollar, Swiss Franc, and others.

DOLLAR SPOT RATES

Table listing Dollar Spot Rates for various international locations such as London, Hong Kong, and others.

COMMODITIES

Table showing prices for various commodities including Gold, Silver, and different grades of Copper.

LONDON MEAT FUTURES

Table listing London Meat Futures prices for various types of meat and their respective grades.

MONEY MARKETS AND GOLD

Table detailing Money Markets and Gold prices, including Euro Money Deposits and Gold prices in various currencies.

OTHER STERLING RATES

Table showing Other Sterling Rates for various international locations and currencies.

LONDON METAL EXCHANGE

Table listing London Metal Exchange prices for various metals and their derivatives.

LONDON OIL FUTURES

Table showing London Oil Futures prices for different grades of oil and related products.

LONDON FINANCIAL FUTURES

Table detailing London Financial Futures prices for various financial instruments and indices.

FINANCIAL TRUSTS

Table listing various Financial Trusts and their corresponding prices.

EURO MONEY DEPOSITS

Table showing Euro Money Deposits for different currencies and terms.

STANDARD CATHODES

Table listing Standard Cathodes prices for various metals.

SOYABEAN

Table showing Soyabean prices for different grades and origins.

THE TIMES INFORMATION SERVICE

A large, multi-column table providing detailed financial information, including stock prices, company names, and market data for various sectors.

Bank looks at off-balance risk

By Richard Thomson, Banking Correspondent

The Bank of England has taken a further step towards regulating the off-balance-sheet banking business with the publication of an important and wide-ranging consultative document.

The Bank aims to introduce a comprehensive range of new risk/asset ratios to apply to this rapidly growing business before the end of the year.

The move follows the publication last week of the paper on the risk problem by the Base Committee.

Off-balance-sheet business includes guarantees and commitments taken on by banks which involve a degree of risk

but are not covered by the supervisory rules governing conventional bank lending.

Over the last two years the mushrooming of off-balance-sheet business by banks has caused supervisors increasing concern.

The Bank says that such risks may slip through the existing reporting and control systems of the banks and can escape the notice of senior management and auditors.

This has come about, the document says, because of the novelty and complexity of the more recently developed off-

balance-sheet instruments and the absence of accounting discipline in comparison with conventional on-balance sheet assets.

The document concentrates on the problem of assessing the credit risk involved in different types of off-balance-sheet transaction and attempts to set up a "hierarchy of risk".

This could then be included in the existing structure of risk asset ratio weightings imposed on conventional banking business.

The paper invites banks to reply to its proposals and does

not put forward specific risk/asset ratios to govern off-balance sheet risk. The blanket 0.5 per cent weighting on certain new forms of risk imposed by the Bank last year will remain in force until the new set of weightings are introduced.

The document divides off-balance-sheet risks into various types, including guarantees and other contingents, commitments and foreign exchange and interest rate related transactions such as swaps.

It suggests alternative ways in which the risk to certain

types of business could be assessed but comes to no conclusions.

But it says that the traditional "snapshot" approach to assessing conventional banking risk was probably not appropriate for off-balance-sheet business which required a more forward looking approach.

Supervisory bodies in other countries such as Japan and the US are also moving towards a more effective method of regulating off-balance-sheet risk, but the Bank of England appears to be the furthest advanced in reaching a solution.

Cotton industry spins a new prosperity

By Our Correspondent

There are signs of renewed hope and prosperity in the Lancashire cotton business. Over the past five years there has been a quiet revolution in this traditional manufacturing industry, for so long displaced in the favour of the financial community by more fashionable sectors.

That revolution shows most clearly at Peter Reed Textiles in Nelson, one of the heartlands of the old north Lancashire cotton textile belt. A private firm employing 60 people, this leading weaver and manufacturer of bed linens has just opened a new, £750,000 factory.

The 14,000 sq ft building nestled against the Pennine foothills, on a new industrial estate in the Pendle Enterprise Zone, is significant not only for this 27-year-old family-run company, but also for the industry, since it is the first purpose-built weaving shed opened in north-east Lancashire for more than 60 years.

Its outer appearance owes nothing to the traditional architecture of textile mills — and nor does the interior, with its bright lighting and air-conditioning, recall the damp valley sites that spawned the original cottage spinners and weavers who were the precursors of the industrial revolution. Where it does draw on tradition is in local labour skills, which are fortunately still present.

With access to markets no longer a problem since the advent of motorways, the cotton sheets and pillow cases of the Lancashire company have found their way into the beds of cabinet ministers and even royalty, via London shops.

Mr Peter Reed, founder and managing director, said:



Quiet revolution: Peter Reed (left), of Peter Reed Textiles, with Kenneth Clarke, Paymaster General.

"We've got most of the retail market here and there's very little more we can do with the up-market sector in the UK, apart from selling more of our product."

The company has thriving export markets in Australia, the Middle East and the United States, and is soon to start selling in Hong Kong.

Now, after 15 years building up its trade name, it is soon to go a step further and sell direct to the public, initially by mail order through the glossy coffee-table magazines.

Mr Reed typifies the new breed of hard-headed textile

manufacturer which has emerged from the latest recession. Born into a prominent north Lancashire textile family whose fortunes were founded in the Victorian era, he saw the demise of his old family firm in the early 1950s.

Not easily deterred, he started again in 1959 by buying old looms, but weaving much better quality cloth. Watching cotton trading come to a final close on the floor of Manchester's Royal Exchange in 1963 made him realize that the company had to change tack. "The only way to remain in business was to cut out the

middleman and go direct."

Working on wholesalers' rather than manufacturers' margins has increased profits substantially over the years and enabled the company to plough money back. Re-equipping has been continuous and is still going on.

The majority of the 44 looms are under 10 years old and four new Belgian flexible rapier looms, just installed at a cost of £30,000 each, are the first of their kind in Britain.

These looms have done away with shuttles, and are characteristic of the new fully automatic, microprocessor-controlled machines being installed by the industry.

For Peter Reed they will produce 15 per cent more cloth and add a 20 per cent to the £2 million turnover. But despite this continuing expansion, the number of jobs at Reed, as elsewhere, is unlikely to increase.

In the Pendle area, where cotton textiles were once dominant, the industry is still an important employer, accounting for about 10 per cent of the estimated 30,000 in Britain's cotton and allied textile industry.

Independents like Reed are thin on the ground and almost all have been forced to seek direct access to retailers by carving out specialized market niches. Only three or four weavers of any note remain in the area.

The bulk of British textile production is concentrated in the hands of the relatively few large conglomerates — Courtaulds, Dawson, Tootal and Vantona Viyella in particular. And the changes of the last five years have not been painless for them either: all have been radically affected by closures and undergone drastic rationalization.

'Discovery' in £30m scheme

By Judith Huntley Commercial Property Correspondent

Captain Scott's ship, *The Discovery*, is to be the centrepiece of a £30 million tourist and retail development on the waterfront at Dundee.

The enterprise zone development is being carried out by the G A Group, the successful management buyout (formerly known as Gilbert Ash), the National Leasing and Finance Company (part of the quoted International City Holdings group) and the Scottish Development Agency.

The attractions of the enterprise zone tax allowances have made the project commercially viable, and the SDA will provide money for the infrastructure in return for a share of development profits. The tourist and heritage centre will be financed by the commercial elements of the scheme.

There will be a 65,000 sq ft superstore, with 60,000 sq ft of retail warehousing and 20,000 sq ft of offices and craft workshops.

Associated British Foods is to operate the 10 fast food outlets. AMC, the United States cinema operator, is to provide an eight-screen cinema in the complex similar to the one it has at Milton Keynes, Buckinghamshire.

National Leasing and Finance, which has arranged funding ventures in Britain's enterprise zones, will package the finance for the Dundee project. A big British bank may provide the long-term finance to take advantage of enterprise zone tax allowances.

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Edited by Lorna Bourke

FAMILY MONEY/1

NEW PEGASUS GLOBAL TRUST

The FT lists 89 international trusts.

Here's how to narrow it down to 1

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The new way to find losses for profit

CAPITAL GAINS

The accountant Jack Harper of Spicer and Pegler has come up with a neat angle on the capital gains tax rules which has interesting tax saving implications for all building society investors.

Mr Harper believes that because of the indexation provisions contained in the 1985 Finance Act, which allows you to use indexation to create a notional loss, building society investors can "bed-and-breakfast" their shares in the building society to create notional losses. These can be offset against profits made in equities.

Though few people realize it, when they open an ordinary account or extra interest account with a building society, what they are actually doing is buying shares in the society. And Mr Harper believes that because they are shares, you can use the indexation provisions to create notional losses.

"Building society shares are not prevented from producing allowable losses, although building society deposits are," explains Mr Harper.

assets that have not actually appreciated in value.

What Mr Harper is saying is that since 1982, the date from which indexation is calculated, inflation has totalled 20 per cent or thereabouts.

This means that if you had £1,000 in a building society on that date and have subsequently left it untouched, you could now have a notional loss of £200 which could be offset against profits on equities.

You have not actually lost anything at all but what the accountancy rules take into account is the 20 per cent less buying power that your £1,000 investment now has - hence the notional loss.

"An allowable loss will be valuable to two categories of investors," says Mr Harper. "That is, those who have sufficient net capital gains in excess of the 1985-86 exemption of £5,900 to fully utilize the loss in reducing their assessments to tax, or those with no net 1985-86 gain who wish to establish an allowable loss for carry-forward against gains in 1986-87."

"The procedure is quite straightforward - simply withdraw your money from the building society to establish the loss - you may need to give notice."

"You can then place the proceeds on deposit elsewhere or reinvest in a different building society."

The only cost to the investor is the minor loss of income while the proceeds are not invested.

Mr Harper says: "Premium share account holders may find that a longer notice period is required than for an ordinary share account and should check the conse-

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BUILDING SOCIETY

Smilk

Inflationary gains can be discounted

The tax legislation consistently distinguishes between building society shares and deposits. The disposal of building society shares can therefore establish allowable losses to the extent of the indexation with the amount of loss approaching 20 per cent of cost for shareholders who had money in building society share accounts prior to April 6, 1982.

What the indexation rules allow you to do is to discount any gains which are purely inflationary. And since 1985 you can actually establish a loss, to take account of inflation, on shares and other

quences of a withdrawal as an income penalty may occur.

"Retention of at least one share will generally ensure that an additional payment of income or interest does not occur in advance of the next normal payment date, if need be."

Can you simply reinvest with the same society? "I don't see why not," says Mr Harper.

For those who want chapter and verse on the calculations, Mr Harper cites the example in the table.

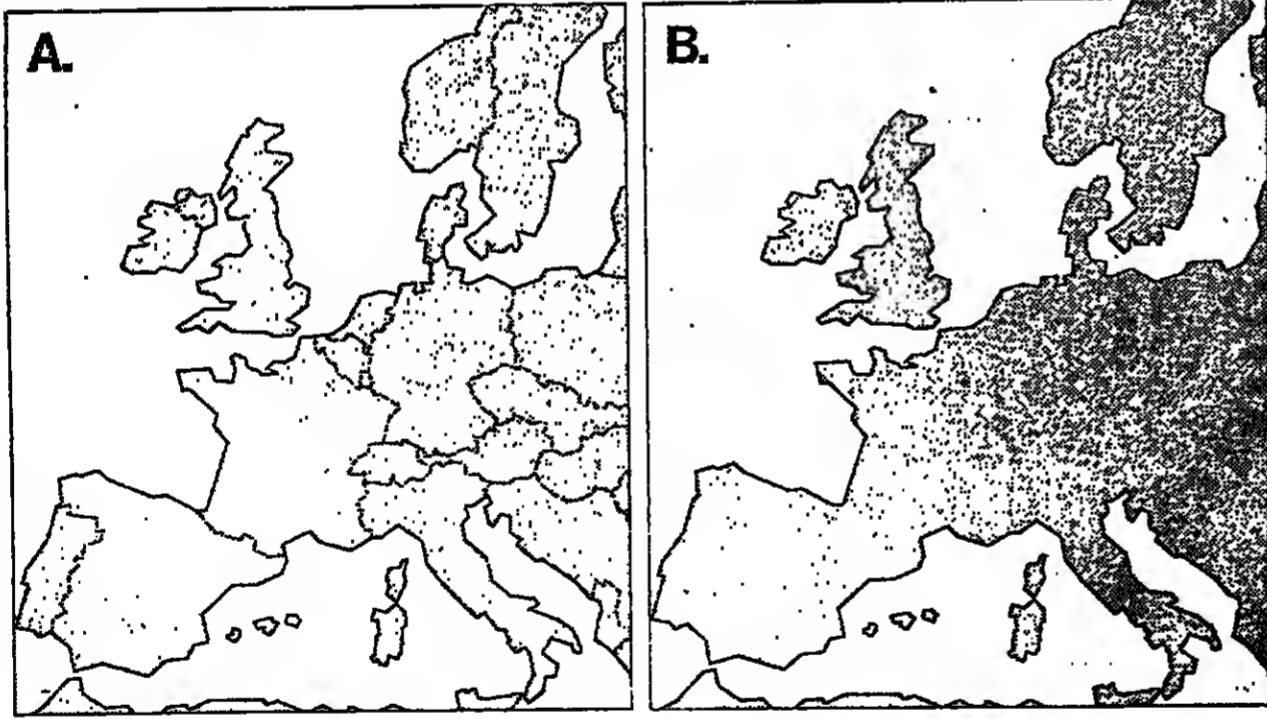
HOW TO CALCULATE YOUR B&B

Mr A opened a building society share account on April 7, 1982 with £20,000. The dividends are paid direct to his bank. The Retail Prices Index for April 1982 was 319.7.

On April 1, 1986 Mr A reduces his shareholding by withdrawing £10,000. The RPI for April 1986 published in May, is, say 385.0. The allowable losses can be calculated as follows:

Proceeds	£	10,000
Indexation relief:		
385 - 319.7 x 10,000 =	+	2,043
		12,043
Cost (part of £20,000)	-	10,000
Available loss		2,043

Lorna Bourke



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1985 also saw the introduction of two imaginative new savings schemes: Bonus-Builder, launched to immediate success, and FlexAccount CashLink, which marked the arrival of Nationwide's automatic cash machine network.

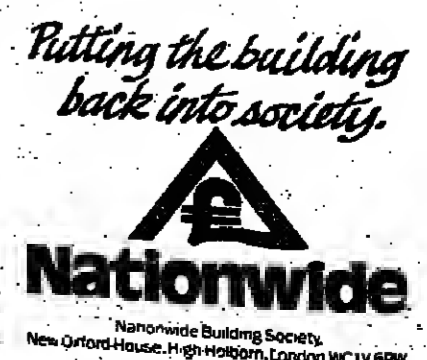
At the same time, Nationwide made a pioneering Eurosterling issue, raising £200 million for further mortgage lending.

This helped to make 1985 a record year for borrowers too, with mortgage advances reaching £2,299 million. This provided 87,900 buyers, more than in any previous year, with funds to purchase homes.

For Nationwide, 1985 was a year that firmly reinforced the Society's belief that the more we can help people to build their savings, the more we can help people to build homes. To that end, we look forward to the new oppor-

tunities presented by the Building Societies Bill, enabling the Society to offer an even wider range of services.

For a copy of the Nationwide Annual Report and Accounts for 1985, write to: Nationwide Building Society, FREEPOST, London WC1V 6XA.



FAMILY MONEY/2

BES survives with just a note of caution

BUSINESS EXPANSION

The Chancellor's Budget changes to the Business Expansion Scheme will have a substantial effect on the structure of new BES companies...

sections of the Finance Bill have not yet been fully drafted. So anomalies such as these may yet be tackled. The position of leaseholds may also be more fully explored in the Finance Bill.

ensuring that the spirit of the scheme is observed. If, for instance, a sponsor comes out with a scheme that slips through the rules but offends the principles of the BES, a swift slap on the wrist with a statutory instrument will ensure that others do not follow suit.

There should, in theory at least, still be scope certainly for push schemes and probably for "hotel" schemes to raise money under the BES. Their much vaunted security through assets, often a share and an illusion, will simply be watered down.

It may be that the Treasury will use the newly found power at the stage where the particular sponsor seeks provisional clearance from the Inland Revenue. In other words, the potential abuse of the BES would be killed off before emerging into the light of day.

Similarly, it is by no means certain yet whether the inclusion of ship chartering of UK-registered ships within the scheme will allow BES yacht companies to flourish.

So what should investors who want to invest in BES companies which own or plan to own substantial elements of land and buildings do? The answer must be that there is certainly a risk if you invest before the Finance Bill is published - usually in May or June, but certainly after the end of the tax year.

Swift slap on the wrist is the safeguard

You could invest on the basis that your subscription must be returned if the company will not qualify under the new proposals. But getting money back once you have parted with it is not always easy and there could be long arguments over the interpretation of the Bill and the actual agreement to return subscriptions.

Readers of Family Money will know that we have warned in recent weeks that asset-backed schemes could be jumped on in the Budget. But this clampdown was not the only move made on the BES front.

Charles Fry, of Johnson Fry, says: "It seems that provided you borrow heavily enough, you will qualify."

On the encouragement front is the proposal that BES shares issued after March 18 will be exempt from capital gains tax on their first disposal. Bear in mind that it is new BES shares only that are exempt.

He is certainly considering possibilities in the property development line, including some more money for the existing Johnson Fry-sponsored property development companies.

But the most important amendment announced in the Budget is the power to enable the Government to change the rules on what is or is not a qualifying trade by statutory instrument rather than primary legislation.

So all those people who rushed to beat the Budget and had shares issued to them on or before Budget day will not qualify for this CGT exemption.

This effectively clobbers the yearly beat-the-Budget stampede in which investors rush to buy shares in those "safe" ventures for which a Budget clampdown is expected.

The new power appears to be the best safeguard towards

BUSINESS EXPANSION COMPANIES

Table with 7 columns: Company, Activity, Sponsor, Telephone, Indiv Min, Closing Date. Lists various companies like Acorn Hardwoods, Alan International, Alliance Asset Mgmt, etc.

Moreover, it is only the first disposal - in other words the first sale or gift - which is exempt.

Those companies seeking to raise BES money for fine wine and antiques are going to have a much tougher time of it.

BES relief will no longer be available for wholesalers or retailers trading in goods of a kind which are not collected or held as investments if the company does not actively try

to trade them. Fine wine and antiques are classic instances which will fall foul of this amendment unless they are actively traded.

The practice of BES wine wholesalers "trading" by shunting their wine stocks from wholesaler to wholesaler, has been curbed by the new proposal that BES relief will not be available for wholesale trades which do not sell their goods to retailers.

Another welcome amendment is the provision for joint applications for shares issued after March 18 to be eligible for relief. This will, for instance, allow a husband and wife to apply in their joint names.

Overall, it isn't really bad news for investors - you are just going to have to be a lot more careful.

Lawrence Lever

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This advertisement is not an invitation to invest in shares.

FAMILY MONEY 1/3

Funds for going foreign

CURRENCIES

Show a small businessman with cheques made out for a few Deutschmarks or yen and he will end up out of pocket because of the bank charges.

But any businessman who gets a regular flow of payments in foreign currencies can sidestep the charges by channeling the money into a money fund.

At the Good Book Guide - a sort of postal bookshop for expatriates - customers are encouraged to use credit cards in spite of the charges. But if customers insist on sending a foreign currency cheque they have to add the equivalent of £1.50 to the bill to cover the cost of bank charges.

"That probably does not always cover the cost of banking the cheque," says the chairman Peter Braithwaite. "But, after all, we cannot charge customers anything to cover the cost of credit card commission."

The average book order received by The Good Book Guide is £30, but a bundle of cheques can be processed together so the cost comes down to something like £1 a cheque.

Eurocheques are increasingly being used, which means expats can write cheques in sterling and there are no extra charges for banking them.

Sterling cheques drawn on non-UK banks are just as inconvenient as foreign currency cheques. They still have



Barclays, for instance, asks for the equivalent of \$1,000 and charges a commission fee of \$10 a quarter if the average credit balance falls below \$1,000. The American Citibank asks for \$2,500 as a minimum opening balance.

But Lloyds has a good deal - current accounts in 50 currencies, requiring just the equivalent of \$1 to set up, pay interest automatically once the balance reaches the equivalent of \$3,500 (for 30 different currencies), and offer a cheque book for all currencies except the ECU.

The interest paid on sums between \$3,500 and \$25,000 is 3.5 per cent below base, which earlier this week would have meant 3.625 per cent for US dollars, 0.875 per cent for Deutschmarks and 1.25 per cent for yen.

But there are even higher yields on offer in foreign currency accounts run by Rothschild and Guinness Mahon. Both these merchant banks built up strong currency funds offshore to take advantage of the tax breaks in rolling up income into capital gains.

But since the clampdown on roll-up funds they both run two types of funds - one a "roll-up fund" and the other a "distributor" fund, which has to pay out at least 85 per cent of its income that is then taxable in the hands of investors, or the company, as income.

For instance, earlier this

month Old Court Currency Fund - Rothschild's distributor fund - was paying the following rates after deduction of the 1.01 per cent service charge: Sterling 11.5 per cent, US dollars 6.5 per cent, Deutschmarks 3.5 per cent, and yen 4.9 per cent. There are 16 currency units, including the ECU as well as a managed currency share, priced in sterling.

There are no charges for paying in cheques in any currency, no charges for switching between currencies and no spread between the buying and selling prices of the currencies. Most important, there is no minimum opening balance - although if you tried proffering \$10 you would not expect a warm welcome.

At Guinness Mahon the minimum in the roll-up is the equivalent of \$3,000 and in the distributor fund, at Global Strategy it is £1,000 and the yields are similar to those at Old Court.

"We have some small and medium-sized businesses who use the fund to manage their liquidity," said Howard Flight, who manages Guinness Mahon's currency funds.

Small businesses can use the roll-up funds to defer a tax liability because the gain does not crystallize for tax purposes until the rolled-up interest and capital is withdrawn from the fund. Companies in cyclical

industries which have a cash surplus in the good years can leave it on deposit and cash it in during the lean times when the liability can be set against any losses.

The currency funds can also be used by companies hedging their currency transactions for future purchases as an alternative to the currency futures market.

But even the modest small businessman, selling small value items to customers abroad, can use the funds purely as a way of circumventing the charges imposed by banks for dealing with foreign currency cheques.

Vivien Goldsmith

Vanguard
A Double First!

For the second year running, Vanguard Trust Managers won the Observer "Small Unit Trust Group of the Year" Award. The average gain of our four funds was 36.7% - better than all other unit trust groups.

We have also been awarded the Money Management "Small Unit Trust Management Group of the Year" Award for 1985. We were the only group, by their criteria, to have achieved 100% above-average performance over one and three years.

A contributory factor was the performance of Vanguard Special Situations Trust, the only Unit Trust to have been one of the ten best performing UK Growth funds over the last one, three, five and seven years.

Short term performance is often a fluke - long term performance is not.

A Proven Performance Record
Over one, three, five and seven year periods, the trust is among the Ten best performing U.K. Growth Funds*, registering gains of 32.6%, 170.3%, 319.7% and 411.9% respectively. No other U.K. Growth Fund has managed to perform so consistently.

*Money Management figures to 1st February 1986. Offer to bid, including net reinvested income.

Investment Objectives
The investment policy of this Trust is to provide capital growth from an actively managed portfolio consisting of shares of smaller companies and carefully selected special situations. These could be companies that have fallen on bad times, but are now turning round; they could be companies that look ripe for a take-over or perhaps companies with new, innovative products.

We also have the power to invest up to 25% of the Trust in USM stocks, as well as in traded options in accordance with the guidelines set by the Department of Trade.

You should remember that the price of units and the income from them can go down as well as up.

An Envious Pedigree
Vanguard Trust Managers is the wholly owned subsidiary of stockbrokers Capel-Cure Myers, one of the City's most quoted and authoritative sources on investment topics. They currently look after over £1 billion of funds on behalf of institutional, private and pension fund clients. Since 1985 they have been a member of the ANZ Group, a major international bank with a worldwide network of offices and with balance sheet footings exceeding US\$30 billion.

Act Now
To invest in this Trust, please complete this application form and send it to the Managers. For your guidance only, the offer price* of units on 20th March 1986 was 42.4p per unit. The Estimated Current Gross Yield is 2.58%pa.

*9 for 1 split of units on 2 January 1986.

To: Vanguard Trust Managers Ltd, 65 Holborn Viaduct, London EC1A 2EU, Telephone 01-236 3053.

I/We wish to invest (minimum £500) £_____ in the Vanguard Special Situations Trust at the offer price ruling on receipt of my application. A cheque is enclosed, made payable to Vanguard Trust Managers Ltd.

First Name (in full) _____
Surname (Mr/Ms/Miss) _____
Address _____
Postcode _____
Signature _____ Date _____

The nine lines for tax tips

If you are puzzled about what the Budget means in tax terms you can get free tax and general money advice from a team of more than 300 chartered accountants who will be manning telephones for eight days before the end of the tax year.

The Moneyline service organized by the Institute of Chartered Accountants to promote chartered accountants' special expertise will operate from nine regional centres. Last year only London accountants mounted the service, and in nine days received more than 1,200 calls. Predictably most (40 per cent) were about income tax, but others were about capital gains tax, savings and investment, VAT and business problems. One caller even asked what to do with a large collection of unused postage stamps.

If your problem is too complicated for general telephone advice, the chartered accountant at the end of the line will refer you to the inquiry service run by the London Society of Chartered Accountants (01-628 2467). They will pass on the names of three accountants specializing in your type of problem. This service dealt with 900 callers last year.

"We expect a lot of questions to Moneyline about the new inheritance tax and personal equity plans," said Peter Wyman of Deloitte Haskins and Sells.

The Moneyline service will operate from Monday, March 24, to Thursday, March 27, and then again after Easter from Tuesday, April 1, to Friday, April 4, from 2pm to 7 pm. London - 256 5312; Liverpool - 236 1235; Manchester - 228 7846; Newcastle - 320312; Leeds - 445087; Wolverhampton - 50733; Bristol - 293922; Maidenhead - 29955 and Brentford - 211825.

VG

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To: New Business Department, The London Life Association Limited, Freepost, 100 Temple Street, Bristol BS1 6YJ (no stamp required). The London Life's retirement savings plan is not open to everyone. To find out whether you are eligible, complete the coupon today.

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Address _____ Postcode _____ Preferred Retirement Age _____
Amount of Monthly Savings _____ Tax Rate _____
Are you a member of a Company Pension Scheme? _____
Tel. Now Business: _____ Home: _____
(Alternatively, if you prefer you can call Carole Wainwright or Sally Hill on 0800-717171 - free of charge)

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FAMILY MONEY/4

Bouquets for paying up with honour

Gold stars for the following investment advisers: Financial Planning Associates, Chartered, Barclays Brokers, Nobis Warren, Aikson & Co., Lawson Consultants, Marshall Paxman, Brockland Brokers, de Root, Charles Brackstone, Sage Consultants, Aaron Insurance, A & P W Consultants, Thompson & Richardson, Arthur G. Davies, Standard Chartered, Ross Stanhouse and Roger Howard. They all did the decent thing and compensated their clients when they lost money in the collapse of Signal Life in 1982. Admittedly, some clients had to threaten legal action before the brokers moved to reimburse them, but the fact remains that they have done the decent thing.



I think we have lots in common - you're rich and I'm greedy and we're both beyond the dreams of avarice!

Black marks for the remaining brokers who are still hiding behind the fact that they are trying to sue - not very urgently - their professional indemnity insurers who provide cover when a firm has been negligent. "But what this shows is that the small investor can take back against the trustees and the negligent intermediaries if they join forces with other victims and form an action group," said John Potter, co-ordinator of the Signal Life Investors' Action Group.

Those who look like losing money in the collapse of the Leeds intermediary, Harvey Michael Ross, whose firm is now in the hands of the official receiver and is being investigated by the Fraud Squad, might do well to heed Mr Potter's advice.

Europe again

The love affair with Europe as the place to put your money continues with the launch this week of a new European Income Fund from Sun Life Trust Management. The new trust is stablemate for Sun Life's European Growth Trust and is aimed at those investors who believe Europe is the place where the action is, but need some sort of income from their investments. The initial gross yield of the new fund is expected to be between 4 and 4.5 per cent - rising over the years. "It's not just the prospect of capital growth which should attract investors to Europe. Our experience in Europe, demonstrated by our highly successful European Growth Portfolio, has led us to believe that European markets can provide the right investment opportunities for investors," said Bill Richards, manager of the new fund. "The objective of our new European income portfolio is primarily to achieve an attractive initial yield coupled with prospects for capital growth and steadily increasing income."

Sun Life's existing European growth fund has turned in a creditable, above average performance during the past three months - there is no reason why this new income fund should not perform similarly.

Details: Sun Life Trust Management, 107 Cheapside, London EC2V 6DU (01-606 7788).

£10,000 offer

The place where real profits are to be made - or, conversely, where you can lose your shirt - is the Unlisted Securities Market. Here, shares can

an 18 month suspended sentence after pleading guilty to charges of obtaining property by deception, and of falsifying accounts.

Protection Policy

Hambro is revamping its Family Legal Protection scheme which provides a 24-hour legal advisory service on any private legal problem, and insurance cover against legal fees. From April 1, the insurance will pay up to £10,000 for each legal claim compared with the current limit of £5,000. However, the premium is to go up from £8 a year to £7.

Details from Hambro Legal Protection, Hambro House, East Hill, Colchester, Essex CO1 2QN (tel: Colchester (0206) 870570).

Budget bonus

Investors with unit trust group Fidelity can look forward to a bonus as a result of the Budget changes to stamp duty. When stamp duty is cut from 1 per cent to 0.5 per cent next October, Fidelity is planning to pass on the benefit to unit holders in the form of a reduction on the spread between the bid and offer price of units of a full 0.5 per cent. "Before the Chancellor's announcement, Fidelity unit holders could switch between their unit trusts at a cost of just 2 per cent of which half was stamp duty. Now that stamp duty is halved, the cost of switching between Fidelity's trusts will be down to only 1.5 per cent in October."

Trust twosome

Everyone is doing it - launching unit trusts that is. Latest in what is becoming a long line of new fund managers, is Orion Royal Bank which has formed a unit trust subsidiary and is kicking off with two new trusts - RBC Select Growth Trust and RBC Select Income Trust.

Hand in hand with the two new trusts comes a new cash withdrawal facility called UnitCash, run in conjunction with Western Trust and Savings. UnitCash cards which can currently be used at over 175 Link Automated Teller Machines around the country will be issued by Western Trust and Savings to unit holders in the new RBC trusts.

Details from Orion Royal Bank, 1 London Wall London EC2Y 5JX (tel: 01-600 6222).

Book belters

Two useful new books from the Institute of Chartered Accountants could turn out to be best sellers. Interest on Unpaid and Overpaid Tax and Meet the Receiver may appeal to a similar class of reader but they set out respectively the circumstances in which you can claim interest on overpaid tax and when the Revenue can clobber you in a similar fashion.

Meet the Receiver is something most people hope will never happen but it comes as a nasty shock to most business people when through no fault of their own a company is wound up, and they discover just what being in receivership means.

Details: Publications Department, Institute of Chartered Accountants, Gloucester House, 359 Salisbury Road, Central Milton Keynes, MK9 2HL. Meet the Receiver £5.30; Interest on Unpaid and Overpaid Tax £5.

BRADFORD INVESTMENTS FIXED TERM DEPOSITS, £50,000 minimum PAID 16.7% p.a. GROSS STANDARD TERMS ACCOUNT. £1,000 minimum Under £10,000 12% p.a. Neg. Over £10,000 12 1/2% Neg. HIGH YIELD ACCOUNT, £500 minimum

RETIRED? WE GUARANTEE TO MAXIMISE YOUR INCOME How? * By advising you which investment gives the most income a man aged 65 with no life assurance could expect to receive 12.6% p.a. net guaranteed * By reducing your income tax bill many retired people lose out unnecessarily on the 'age' allowance * By making your capital grow to increase your income in the future. Knight Williams has specialised for many years in identifying income investments for retired people. Send for full details. Knight Williams Independent financial advice. 33 Cork Street, London W1X 1HB. 01-409 0271

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UnitCash now unit trusts mean cash instantly! Western Trust & Savings Ltd. UnitCash can give you access to instant, low cost cash credit when you purchase one of the new Royal Bank of Canada Group Unit Trusts. This facility, the first ever of its kind, is provided through Western Trust & Savings Ltd, a subsidiary of The Royal Bank of Canada.

SELECT INCOME TRUST GROWTH TRUST New. Two Unit Trusts from the Royal Bank of Canada Group! The RBC Select Income Trust and the RBC Select Growth Trust are the first authorised Unit Trusts to be launched by The Royal Bank of Canada Group via their Orion Royal Bank subsidiary and investment advisers Kitkat & Aitken.

YOU'RE BETTER OFF WITH AN INVESTMENT THAT WORKS 24 HOURS A DAY. Investing in the world's stockmarkets is undoubtedly one of the best ways of making your savings grow. Over the last five years the U.K. stock market has risen 166%, and the American and German markets by 175% and 323% respectively. Compare this with a Building Society share account return of just 47% over the same period and you can see why more investors are putting their money into stockmarkets around the world.

FAMILY MONEY/6

Jobs in the sights

A number of Budget measures were aimed at stimulating enterprise and employment. For a start the Enterprise Allowance Scheme - whereby the unemployed satisfying various conditions can apply for a £40-week grant to start their own business - is being expanded to take in 100,000 applicants a year, rather than 65,000.

The loan guarantee scheme has survived the Chancellor's axe, which some thought might fall on it. The guarantee, which the Government gives to the lending institution advancing money to the borrower, remains at 70 per cent of the loan. However, the interest rate premium payable to the lender under the scheme has been cut from 5 to 2.5 per cent.

This should boost the numbers applying for finance under the scheme. They have declined since the government guarantee dropped from 80 per cent and the premium was increased. But what has really knocked applications is the much tougher requirements for individuals with security in, for example, the family home, to put this into the pot when the business is started.

CAPITAL GAINS TAX

If anything it was capital gains tax, rather than capital transfer tax, that has seemed under threat from the Chancellor's guillotine. CGT has simply been tinkered with but CIT, in name at least, has gone. The Budget has increased the exempt CGT threshold in line with the retail prices index. For the 1986-87 tax year an individual will be exempt from CGT on the first £5,300 chargeable gains (this tax year it was £5,900), while for most trusts the exempt limit is increased from £29,500 to £31,500.

NAZI PENSIONS

Certain pensions under the laws of Austria and the Federal Republic of Germany to the victims of the Nazi regime are to become exempt from income tax from the next tax year.

BUDGET BRIEFING

These pensions are paid on the basis that the pensioner has been deprived of qualifying service or unable to make pension contributions because of persecution. All recipients of these pensions will be brought into line with the exemption for annuities paid by the German government for more serious forms of Nazi persecution.

BASIC RATE TAX REDUCTION

Reducing basic rate tax to 29 per cent will have an impact on a number of transactions - apart from merely signifying a reduction in the tax bill. If, for instance, you are making payments under deeds of covenant then the total received through the covenant will be the same if the covenant is expressed in gross terms, but less if in net terms.

This applies to payments due under the covenant from April 6 onwards. If the covenant is expressed in gross terms, i.e. "£100 a year", then the net payment received by the person or body you covenant to will be increased by £1 since £29, rather than £30 is deducted by the giver. Overall, however, recipients will be in exactly the same situation as they simply claim the £29 from the Revenue and end up with £100, as before.

If the covenant is in net terms, i.e. "a sum equal to £70 after deducting tax at basic rate", the recipient ends up with slightly less. There is a net £70 payment, but the gross payment necessary from the covenantor to arrive at this net £70 is now £98.59, instead of £100, and the tax rebate claimed by the recipient will be correspondingly lower.

Another area where the tax reduction will affect most people is mortgage interest relief. From April 6 income tax will be deducted from the interest payments falling within the MIRAS scheme at 29 per cent rather than 30 per cent so there will be a slight

increase in the interest payments you make.

For those getting higher rate tax relief on their home loan the net cost may remain the same depending on how much of the mortgage interest relief is offsettable against higher rates of tax. Where all mortgage interest relief is offsettable against higher rates of tax there will be no change.

For the basic rate taxpayer with a £20,000 home loan at 13 per cent, monthly repayments will go up from £151.66 to £153.83 a month.

AGE ALLOWANCE

Pensioners got a better deal on personal tax allowances when age allowances were increased by just over the inflation rate. A single person is now entitled to a tax allowance of £2,850 compared with the current year's allowance of £2,690. Married couples will see a rise from £4,255 to £4,505.

The income limit above which age allowances start to be clawed back has also been raised from £8,800 (1985-86) to £9,400 (1986-87). Every £3 of income over this threshold results in a clawback of £2 of age allowance down to the level of ordinary tax allowances. The point at which all benefit from age allowance is wiped out is 00 incomes of £10,173 for a single person, £10,675 for a married couple.

Elderly people will also benefit from the fact that the July increase in pensions will be tax-free for 1986-87 - the increase, not the entire pension.

MARRIED COUPLES

Increases in personal allowances mean that generally where both partners in a marriage are working, it will pay to opt for separate taxation (not to be confused with separate assessment) when joint earnings top £26,520, of which the wife's earnings must total at least £6,986. The figure for the current year is £25,360 with the wife's earnings totalling £6,956.

Lawrence Lever

TAX RELIEF THIS YEAR
No Capital Gains Tax on this investment on first disposal

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- * is raising £380,000 by a Rights Issue to existing Shareholders

For a copy of the prospectus, post this coupon or telephone Norman Rowland, Smith Keen Cutler on 021-643 9977 during usual business hours.


To: Smith Keen Cutler, Exchange Buildings, Stephenson Place, Birmingham B2 4AN.
Please send me the Birmingham Executive Airways PLC Offer for Subscription.

Surname (Mr/Mrs/Miss) _____ Initials _____
Address _____
Telephone Number _____

This advertisement does not constitute an offer to subscribe for shares.

Bank of Ireland

announces that with effect from close of business on 21st March 1986 its Base Rate for lending is reduced from 12½% to 11½% per annum



Bank of Ireland

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AGE(S) / TAX RATE % AMOUNT AVAILABLE £

NEW INTEREST RATES

Notice to Account Holders

Gross interest % p.a.	Midland Savings Accounts	Net interest % p.a.	Gross Equivalent to a Basic Rate Taxpayer % p.a.
With effect from 19th March 1986			
7.69	Deposit Account	5.75	8.21
10.37	Griffin Savers	7.75	11.07
With effect from 20th March 1986			
10.37	Monthly Income Account	7.75	11.07
8.03	Saver Plus £100+	6.00	8.57
9.36	£500+	7.00	10.00
10.37	£1000+	7.75	11.07

Save and Borrow Accounts

With effect from 18th April 1986, interest paid on credit balances will reduce by 1% to 5.75% net per annum. For those customers who receive interest gross, the rate will reduce to 7.69% p.a. Interest charged on overdrawn balances will reduce by 2% to 21% APR 22.7%.



Midland Bank
Midland Bank plc, 27 Poultry, London EC2P 2BX.

First class investment management from GUINNESS MAHON

- we let the figures talk for themselves...

One year to 1st February 1986

Currency Funds Managed	Guinness Mahon GS Mgd Curr 1,174	Three years to 1st February 1986	Guinness Mahon International 1,618	Five years to 1st February 1986	Guinness Mahon International 3,117
	Guinness Mahon International 1,163		R&C Int Curr Managed 1,506 US\$		Phoenix Int. Currency 2,317
	Vanbough Currency Fund 1,157 £		Vanbough Currency Fund 1,694 £		Edinburgh Securities 1,616

One year to 1st February 1986

UK Equity	Guinness Mahon GS UK 1,288 £
	Holdenston GS: 1,249 £

One year to 1st February 1986

European	Guinness Mahon GS European 1,622
	1,353 £

Not many international fund managers can claim the satisfaction of saying 'I told you so'. But the latest figures on the performance of three major funds within the Global Strategy Fund, from Money Management, show just how well our investment managers have worked for investors in our funds. Over one year the Managed Currency Fund and UK Equity Fund are each TOP and the European Fund is second in the league tables.

The longer established International Managed Currency Fund is TOP over the three and five year period.

Furthermore we offer investors among the lowest initial investment costs available in the market - indeed on investments of £30,000 or more in the Global Strategy Fund there is no initial charge.

Fill in the coupon today, send it to us without obligation and we will send details on our top performing funds.

The Money Management figures are produced on the basis of sterling converted results of £1000 invested on an offer to offer basis with all income re-invested. Please remember that the value of your shares may go down as well as up.

GUINNESS MAHON FUND MANAGERS (GUERNSEY) LIMITED, P.O. Box 188, La Vieille Cour, St. Peter Port, Guernsey, Channel Islands. Or telephone (0481) 23506 extension 251 or telex 4191482 GUIMAC G. Please send me a prospectus on the sole basis of which investment may be made and an application form.

Name _____
Address _____

- Please tick for information required.
- European
 - Managed Currency
 - UK Equity



Guinness Mahon

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Investment & Mortgage Comparisons Limited

BASE LENDING RATES

ABN	12½%
Adam & Company	11½%
BCCI	12½%
Citibank Savings†	12½%
Consolidated Crds.	12½%
Continental Trust	11½%
Co-operative Bank	12½%
C. Hoare & Co.	11½%
Lloyds Bank	11½%
Nat Westminster	11½%
Royal Bank of Scotland	11½%
TSB	11½%
Citibank NA	11½%

† Mortgage Base Rate.

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EUROPEAN FUND +70%

STERLING FIXED INTEREST +20-8%

UK EQUITY FUND +38%

THREE REASONS FOR GUINNESS MAHON'S INVESTMENT MANAGERS TO BLOW THEIR OWN TRUMPETS



and bad ne

RATES

ALL OF THE PENALTIES

FAMILY MONEY 17

Best terms for mortgages

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Rates down, and still dipping

MORTGAGES

Since the demise in 1984 of the building societies' mortgage rate cartel, rate changes have usually been attended with even more vacillation and secrecy.

From now on the omens are that general interest rates will continue to slide downwards, perhaps in 0.5 per cent steps, towards about 10 per cent during the spring and summer.

Mixed news for the investor

how to operate more professionally and on their own - more like the banks, in fact. "It is a qualitative change of approach which shows the growing maturity of building societies in the free market."

MONTHLY MORTGAGE REPAYMENTS

Table with columns for Interest Rate % and Term in Years (5, 10, 15, 20, 25, 30, 35). Rows show repayment amounts for various interest rates.

*Reducing to 29 per cent from April 6th. These are monthly payments on a straightforward fixed rate repayment mortgage net of basic rate tax relief.

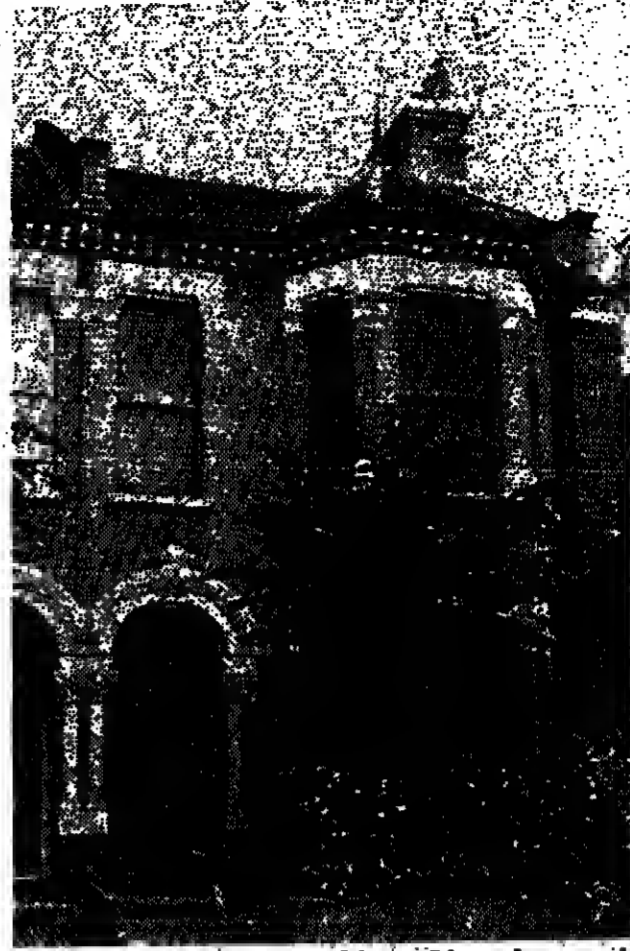
Pension prospects perk up

Pension fund surpluses sound like a yawner - but the Chancellor's changes here could be good news for pension scheme members.

Previously, many companies have deliberately put the cash into the pension scheme and overfunded it during years of high profits, thus sheltering it from tax.

This now stops. Fund managers have been given one of three options - improve benefits to soak up any surplus, reduce contributions, or take the surplus cash back into the company.

Property ownership gets a real boost this week - now is clearly the time to buy that house.



Property ownership gets a real boost this week - now is clearly the time to buy that house.

investment rates and if many societies find they are running short of funds there could be a round of upward leaping on the rates paid to depositors.

The societies do not relish the thought of leaping and they will do all they can to maintain the current rate structure.

He believes some pension funds will want to improve benefits. So it looks like a golden opportunity for trade unions and staff representatives to push for a better deal.

THE EAGLE STAR FAR EASTERN TRUST

Invest in the lands of rising profits

UP 33.4% in under 6 months (net of all charges)

- Motorbikes, Cars, Typewriters, Computers, Whisky, Videos, Cameras, Hi-Fi, Televisions

Look around your home or office and you are bound to see a large number of goods made in the Far East. That's why it makes such sense to invest in successful companies in places like Japan, Hong Kong, Taiwan, South Korea, Singapore, Malaysia and Australia.

Have You Made Big Money? If you had invested £1,000 in our Far Eastern Trust on 1st October, 1985, your holding would have a cash value now* of £1,334.

That's impressive growth. So, we're celebrating. On behalf of all the people who invested in our Far Eastern Trust when it was launched less than 6 months ago.

The Trust's Objective The aim of this Trust is to achieve the maximum possible capital growth from a range of investments in Far Eastern companies.

Excellent Prospects for 1986 The Far East contains the most dynamic economies in the world. Why? Because the people have extraordinary technical ingenuity - plus the marketing skills necessary to exploit that ingenuity.



Japan, the leading market in the area, is already receiving a major boost from the sharp drop in oil prices. Japan is totally dependent on oil imports - as it has no resources of its own.

The prospects throughout the area continue to look excellent.

How to Invest The Far Eastern Trust is available to everyone aged 18 or over. Simply decide how much you wish to invest (minimum £500) - then complete the application form and send it, with your cheque, to Eagle Star Group.

Now you can Invest by Phone Alternatively, dial 100, ask for FREEPHONE EAGLE STAR and speak direct to our dealers. They will be pleased to take details of your investment there and then.



YOUR APPLICATION

Application form fields including Name, Address, Postcode, Date, and Signature.

GENERAL INFORMATION

Price and Yield. Units will be allocated at the 'buying' price ruling on the date of receipt of your application. As a guide, the 'buying' price of units in this Trust on 31.03.86 was 71p and the estimated gross annual income was just under 1%.

Eagle Star Group Eagle Star Unit Managers Limited Eagle Star House, Bath Road, Cheltenham, Glos GL53 7LQ.

Income Tax Relief 1985/1986

Electrostore PLC

A BES investment in an established and profitable group of companies.

Offer for Subscription under the Business Expansion Scheme

Sponsored by

Strauss, Turnbull & Co. Limited

Member of The Stock Exchange

Of up to 1,400,000 Ordinary Shares of 50p each at 60p per share payable in full on application

The ELECTROSTORE Advantages

- Pre tax profits forecast of £300,000 for the year ending 30th JUNE 1986. Present intention is for a USM Listing. Group is comprised of two manufacturing and one distributing company covering different areas of the electronics industry.

The BES Benefits

- Up to 60% income tax relief. No capital gains tax on first share sale. Asset levels well within new Government limits.

Copies of the prospectus are available from

Strauss, Turnbull & Co. Limited 3 Moorgate Place London EC2R 6HR Tel: 01-638 5699.

BUSINESS EXPANSION SCHEME TAX RELIEF 1985/86 & 1986/87

BUDGET ANNOUNCEMENT FIRST RETAIL STORES PLC

- £1,250,000 RAISED IN FIRST 13 DAYS AND OFFER REMAINS OPEN UNTIL 9TH APRIL, 1986. SUBSTANTIAL ASSET BACKING. 100% LOAN FACILITIES AVAILABLE. OVERALL RETURN TO NEW INVESTORS SHOULD BE SUBSTANTIALLY ENHANCED BY REMOVAL OF CAPITAL GAINS TAX. MANAGEMENT INVESTING £140,000 PARI PASSU WITH INVESTORS WHO ALSO RECEIVE 61% PRIORITY RETURN. TRADING RISKS REDUCED BY THE USE OF FRANCHISING.

To obtain a Prospectus please complete coupon and send to: Robert Fraser & Partners Limited 29 Albemarle Street, London W1X 3FA or Phone: 01-200 0200 (24 hrs-7 days)

Coupon form with fields for Name, Address, and Signature.

Licensed Dealer in Securities This advertisement is not an invitation to purchase shares.



FAMILY MONEY 8

INTEREST RATES ROUND-UP

Wise 3 percent Investment Account - 11.5 per cent interest paid without deduction of tax, one month's notice of withdrawal, maximum investment £50,000.

National Savings Income Bond Min. investment £2,000 max. £50,000. Interest - 12.00 per cent variable at six weeks notice paid monthly without deduction of tax. Repayment of 3 months notice. Penalties in first year.

National Savings Indexed Income Bond Start rate monthly income for first year 8 per cent, increased at end of each year to match increase in prices as measured by Retail Prices Index. Cash value remains the same. Income taxable, paid gross. Three months notice of withdrawal. Minimum investment of £5,000 in multiples of £1,000. Maximum £50,000.

National Savings 3rd Index-Linked Certificate Investment £5,000 excluding holdings of other issues. Return tax-free and linked to changes in the retail price index. Supplement of 2.5 per cent in the first year, 2.75 per cent in the second year, 3.25 per cent in the third year, 4 per cent in the fourth year and 5.25 per cent in the fifth year. Value of Retirement Issue Certificate purchased in March 1981: £151.30 (including bonus and supplement March RPI 381.1. (The new RPI figure is not announced until the third week of the following month).

National Savings Certificate 31st issue. Return totally free of income and capital gains tax, equivalent to an annual interest rate over the five-year term of 8.5 per cent, maximum investment £25,000.

National Savings Yearly Plan A one year regular savings plan converting into 4-year savings certificate. Minimum £20. Maximum £200 a month. Return over five years 8.18 per cent - tax free.

National Savings Deposit Bond Minimum investment £100 maximum £25,000. Interest 12 per cent variable at six weeks notice credited annually without deduction of tax. Repayment at three months notice. Self interest only paid on bonds repaid during first year.

Local Authority Yearling Bonds 12 months fixed rate investments interest 10 1/2 per cent basic rate tax



deducted at source (can be reclaimed by non-taxpayer), minimum investment £1,000, purchased through stockbroker or bank.

Guaranteed Income Bonds Return rate of basic rate tax. Higher rate taxpayers may have a further liability on maturity. 1, 2, 3 & 4 Years General Portfolio - 9%, 5 Years Property Equity 9.5%.

Local authority town hall bonds Fixed term, fixed rate investments. Interest quoted gross (basic rate tax deducted at source reclaimable by non-taxpayers) until April 1986. When CRT becomes applicable, further details available from Chartered Institute of Public Finance & Accountancy, Loans Bureau (538 6351 between 10 am and 2.30pm) see also press no 24638.

Building Societies Ordinary share accounts - 7.00 per cent. Extra interest accounts usually pay 1 - 2 per cent over the ordinary share rate. Rates quoted above are those most commonly offered. Individual building societies may quote different rates. Interest on all accounts paid net of basic rate tax. Not reclaimable by non-taxpayers.

Foreign currency deposits Starting 1/25 dollar 11.44 per cent Yen 5.35 per cent D Mark 3.74 per cent French Franc 10.88 per cent Swiss Franc 3.15 per cent

MINIMUM SUBSCRIPTION EXCEEDED OVER £3M ALREADY SUBSCRIBED

BUSINESS EXPANSION SCHEME GLADDING SECURED CONTRACTORS PLC

OFFER FOR SUBSCRIPTION Sponsored By CHANCERY SECURITIES PLC (Licensed Dealers in Securities)

The Company has been described as being "possibly the pick of the bunch" and "head and shoulders above the rest" by a specialist financial magazine.

Business - A building contractor working mainly for property development clients, offering deferred payment terms wherever all or part of the contract price will be paid after building work has been completed. Amounts due will be secured, normally by a mortgage over land and buildings. Property development clients will benefit from an improved cash flow and so building contracts will be at higher prices with higher gross margins.

Over 20% p.a. pre-tax return on shareholders' fund is anticipated in the medium term. The Management Team have many years of actual experience in the property development and building industries. Their main reward comes from maximising net asset growth to the benefit of shareholders. Maxwell Creasey (non-executive Chairman) recently retired from being Deputy Managing Director of MEPC plc.

Tax Relief - The Company began trading in September 1985 and so investors should receive their tax relief certificates without delay.

65% Loan Facility - Appropriate subscribers need only pay 35% of their investment (plus documentation fee).

NEXT ALLOTMENT DATE - BY TUESDAY 18th MARCH 1986 - BUDGET DAY. Offer extended to 30th April 1986 (unless over-subscribed). Offer enabling investors to decide in which tax year they wish to seek tax relief.

70: Chancery Securities PLC, 12 Northwington Street, London WC1N 2HW. Telephone: 01-242 2583. Please send me a copy of the Prospectus of Gladding Secured Contractors PLC.

Name: Address: T: 22/3

DELTA GROUP

Profits exceed £50m - a record

Table with 3 columns: 1985, 1984, and a blank header. Rows include Turnover (£555.8m vs £590.2m), Profit before taxation (£50.6m vs £45.7m), Return on capital (21.5% vs 18.1%), Earnings per share - nil basis (20.9p vs 17.0p), Ordinary dividends per share (6.5p vs 4.5p), and Net borrowings (£36.9m vs £72.6m).

- Another year of strong performance
• Fourth successive annual increase in earnings per share
• Cash flow of £35m
• Dividend for the year increased by 44%
• Market capitalisation has risen by a multiple of five since 1981 to exceed £300m

Geoffrey Wilson CHAIRMAN

DELTA electrical equipment, fluid controls, metals, industrial services. Copies of the annual report, of which the above is an extract, will be available after 7th April from The Secretary, Delta Group p.l.c., 1 Kingsway, London WC2B 6XF.

Why sharers feel flat

One of the proposals tucked away in the tax reform Green Paper will find little favour with London's flat-sharers. The Government intends to scrap the arrangement under which a person is entitled to mortgage interest relief on loans up to £30,000 and replace it with relief on the property being bought, rather than relief for the individual.

This is an attempt to eliminate the anomaly whereby a married couple get only £30,000 of mortgage interest relief but two people living together get up to £60,000.

This could have severe implications for the London

NEW ISSUES - how to get them, how to profit with them!

Did you know that there are literally thousands of investors in this country who make large, regular profits out of "trading" and investing in exciting new issues year after year... and not just the highly publicised ones you read about in the papers? Many of them are private investors, some of them never buy any other sort of shares and most of them are not particularly switched on when it comes to stocks and shares... they are just better informed.

And that really is the secret... being better informed about new issues is even more important than in most other forms of investment, even though all new issues do have an in-built advantage, one only accessible to those who act quickly. Find out what their advantages are, and how you can make the most of this very special and exciting part of the stock market. Write TODAY for details of the New Issue Share Guide, a unique service that shows you which new shares to buy, to avoid, and when definitely NOT to buy them - this is the most important information for success in investing in the new issues, really a world beater!

P.S. You'll also get a free copy of our booklet "New Issues - How to get them, how to profit with them."

THE NEW ISSUE SHARE GUIDE, 3 FLEET STREET, LONDON EC4Y 1AU.

Name: Address: Post Code: T22/3



Offer for Subscription of 1,000,000 Ordinary Shares of £1 each at £1.10 per share. Existing freehold hotel has increased in value by 94 per cent in 2 1/2 years. Company is trading. BES relief for 1985/86 will still be available. Experienced professional management. Founder directors have an investment of £233,614. Strong net asset cover.

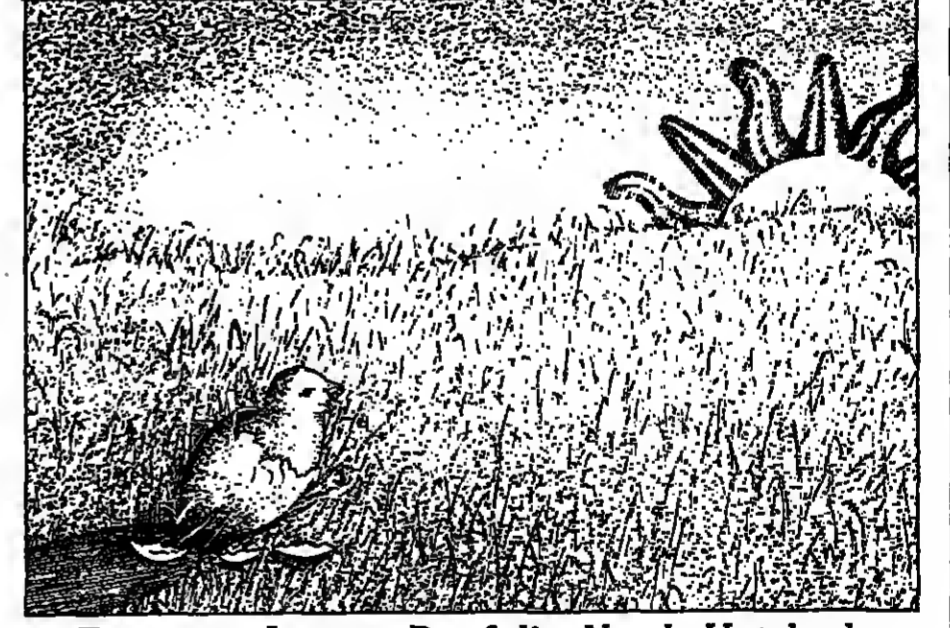
Copies of the Prospectus updated following the Budget can be obtained from POINTON YORK LIMITED (a member of NASDEM) 7, Cavendish Square, London W1M 9HA Telephone 01-631 3015

This advertisement is not an invitation to invest in shares.

We already have the most successful European unit trust. Why launch another?



European Growth Portfolio: Number One.



European Income Portfolio: Newly Hatched.

Almost all the gains in Europe over the past year have been for the benefit of investors who want capital growth. The investor who wants a good and growing income has largely been excluded.

To remedy that, we're launching the new Sun Life European Income Portfolio.

It enables the investor for income to enjoy the fruits of the European stock markets as fully as investors for growth have done.

It can do so because the economic outlook in Europe continues to look very bright.

It can do so because the whole basis of the spectacular capital growth we've seen in recent months is the promise of higher yielding equities.

And, just as importantly, our European Income Portfolio can do so because it's managed by an outstanding investment team.

They're the team responsible for the success of our European Growth Portfolio, up 85.2% in the nine months since its launch, outperforming not only every unit trust in Europe but every other unit trust.

This isn't a one-off wonder either. Five of our other Professional Portfolios are in the top five in their sectors.

Behind this success, lie all the resources and experience of the Sun Life Assurance group, which has funds of over £3.5 billion under management.

We're confident that our new European Income Portfolio will prove every bit as successful.

Until April 11th, you have the opportunity to join in this success at a fixed opening price. To take advantage, please speak to your broker. Alternatively, clip the coupon or phone 01-606 6010.

EUROPEAN INCOME PORTFOLIO

To: Sun Life Trust Management Limited, 107 Cheapside, London EC2V 6DU. Please send me more information on the European Income Portfolio and the other Professional Series Portfolios.

Name: Address: SUN LIFE Trust Management logo.

All statistics - Planned Savings 1.3.86 offer-to-offer, income re-invested

International tours take heavy toll on cricket teams at opposite ends of the world

England take a battering

From John Woodcock, Cricket Correspondent, Bridgetown

Although England won the toss in the third Test match here yesterday and had the advantage of fielding first...



The man who threw the bat at England: Richardson emerges as a world force

Border's threat to quit as captain

Christchurch (Agencies) - Allan Border said yesterday he would resign as Australia's cricket captain...

Border announced his intentions on the eve of today's one-day fixture...

"I will resign the captaincy if we lose or play badly in the remaining matches...

Border walked out of the nets at Lancaster Park where he had been releasing the frustration of Wednesday's loss...

Border was angry that some of his players were not reacting strongly enough to defeat...

He said he did not mind losing to a better side but Australia were not trying hard enough when confronted by adversity...

Border took over the captaincy from Kim Hughes after the second Test in Brisbane on the 1983-84 tour...

Trinidadians threaten to increase boycott

Port-of-Spain (Reuter) - A Trinidadian anti-apartheid group has threatened to step up their protests when the England cricket team returns to Trinidad next week...

Lyle Townsend, the chairman of CIDWIC, said demonstrations during the second one-day international and the second Test match in Port-of-Spain had exceeded the committee's expectations...

England play the fourth one-day international on March 31 and the fourth Test on April 3-8.

Scoreboard

WEST INDIES: First innings C & Greenidge & Simmons & Foster - 21 O L Hayden not out... FALL OF WICKET: 1-34

SNOOKER

Rapid progress by Canada

By Sydney Friskin

Canada made a fast entry into the semi-finals of the Car Care World team championship with a 5-0 victory over the Rest of the World in a scheduled nine-frame match at Bournemouth yesterday...

much too good, but Dennis Taylor struggled to subdue Paddy Browne in a 51-minute frame...

GOLF

Oosterhuis falls on hard times

From John Ballantine, New Orleans

Times are hard on the tour these days for Peter Oosterhuis, the British Ryder Cup player whose appearance here in the 144-strong field of the New Orleans Classic is only his fifth of the season...

CROSS-COUNTRY

Budd with spring in her step

From Pat Butcher, Athletics Correspondent, Neuchâtel

Zola Budd goes into the world championship here tomorrow enjoying the sort of supremacy over her competitors which can only be halted by what is normally referred to as an act of God...

Preserve the value of your income watch your capital grow.

It's all too easy to get caught in the money trap. Either your income suffers or your capital dwindles.

HILLSAMUEL INVESTMENT SERVICES

Campaign pair defiant

Another scalp

Having a Kerr

The indoor unveiling

Boitano capitalizes on mistakes in top duel

Slim Spinks

Vertical text on the far left edge of the page.